

# **DISTRIBUTION AND WAREHOUSING**



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## **Public Warehousing and Economic Distribution**

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### **How and When and Why Mail-Order Institutions Use Commercial Storage Plants**

*By H. A. HARING*

**T**HE mail-order house is a distinct American institution. No other country in the world excepting, of course, Canada, has the high level of intelligence or the high average of literacy to make a mail-order business possible. The mail-order caters primarily to those people who do not have, close to their homes, a market that offers a wide variety of goods for selection. The price appeal is, of course, present in mail-order selling, but when analyzed down to its fundamentals, sales are made because the catalog displays wares of greater variety than local dealers offer.

The farmer caused the American mail-order business to develop. Isolated living for the farmer of 1880 brought into existence the great houses of Sears-Roebuck and Montgomery-Ward, Butler and the Baltimore Bargain House, National Cloak and Suit, and their 800 imitators.

The farm population of this country and of Canada has always been famous for its reading habits. The circulation of periodicals has been great. The farms, moreover, have for forty years been enjoying a rising income and that better income has brought better stand-

ards of living, while at the same time country merchants have been proverbially backward.

The mail-order houses entered the breach, and, with their advertising and their catalogs they created a desire for quality goods far beyond the variety offered by the small-town merchant. Often the price, too, was less, although when one makes a rigid comparison of quality and takes into account the transportation and the cash-with-order feature, the lower price is often more apparent than real. Yet the fact does remain, and we may as well admit its effectiveness, that people *believe* mail-order buying to be less costly than local buying. Nearly everyone can conjure up some example of automobile tire or kitchen range or cream separator to prove his belief.

When the farmer prospered the mail-order houses grew fat. Every time we had a farm depression the great mail-order houses suffered a decline of their volume and their net.

But the development of forty years in one direction has met a severe reverse since 1920 or 1921, and, in common with many other industries, these past eight years

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have upset mail-order methods. They, too, have been compelled to "get a new bag of tricks" in order to adjust their business to the changed tempo of American life.

Within a year one of the half dozen great houses has announced that it will discontinue all general merchandise and confine its selling to a single specialty, cloaks and suits. The two famous houses of Sears and Montgomery-Ward have launched into the department store field by opening immense retail stores, first as testing grounds and now as the ultimate outlet for their goods. One of these has broadcast its intention to open 1500

such retail stores, and everywhere such radical changes in their methods are to be found as one sees in Minneapolis. In that city the change from ordering by mail to selecting goods by personal inspection has wrought, in quick succession, such changes as that a monumental structure on the boulevard to St. Paul is to be abandoned in order to be moved into the heart of the city, that a famous furniture dealer has quit business under the competition of the mail-order house turned retailer next door and that two great department stores are opening up, each sponsored by one of the great mail-order houses.

### Causes of Changes

**WHAT** has suddenly changed the mail-order habits of forty years?

Many elements enter the answer, but of them all the automobile is greatest. The motor car has changed the habits of a nation in the matter of its retail buying, and nowhere has that change been deeper than in the rural districts. The five miles that formerly kept the farmer from town all week until Saturday afternoon is today but the "suburbs" of a growing city, within which area men go home to lunch or their wives come to town for tea. The ten or fifteen miles that once meant "isolation" for weeks at a time is today a mere nothing: boys travel twice that far every evening just "to see their girls," while their parents cover the same distance just "for an airing" or "to cool off after the day's work."

A vice-president of Montgomery-Ward has said:

"Our retail stores are made possible by the motor car. Customers prefer to see the goods, and one hour of seeing is far ahead of a winter's reading of the catalog."

The local retailer, with his immediate delivery, has always had an advantage over the mail-order competitor, but this advantage disappeared in the face of the restricted variety of his stock and the reputation for higher prices. Now, however, with the mail-order houses in the retail field, they are using all their reputation in an endeavor to eclipse the local department store, that reputation being their much-advertised buying power, economies of production and distribution, their absolute guarantee of all merchandise, and their wonderful promptness in making good that guarantee.

The automobile, then, has contributed much to this change in mail-order methods. But it is not the whole of the change.

The new tempo of American life is founded on better communication and faster transportation. The telephone and the radio have their counterpart in the delivery route of the motor truck and in the paved road that makes rural

trucking possible. Even farmers are no longer content to wait a week for a section of garden hose; much less will their daughters wait two days for a desired pair of sheer stockings, or the son for a radio tube.

One mail-order president recently remarked to me:

"The trick is to fill the order at once. Every day that we can cut off multiplies the chance of the sale sticking. . . . Normally, it's an average of twelve days from the evening the customer writes the letter until he unpacks the goods. Every day we can cut from that twelve helps. Delays in delivery are the worst obstacle of selling by mail."

On every hand, as one talks with mail-order men, emerges this failing. "Unless the mail-order houses," says one manager, "discover the means to shorten deliveries, we are done—done, I mean, for selling millions by mail. We'll still sell the goods, of course, but we'll do it through other means."

Deliveries of the sort that built up the mail-order business are no longer tolerated by the very people whose orders are most valued—the farmers in the Mississippi Valley. In that region is done probably three-quarters of the mail-order business of this country, with the section of highest density in Iowa and the seven States surrounding Iowa. In order to retain the cream of this mail-order volume much research is being done, all of it having as its end to solve this question: "What is the quickest delivery we can make of an order that comes by mail?"

### How Goods Are Delivered

**FOR** small articles the parcels post has no equal. Like the R. D. postman, the parcels post goes everywhere. Unfortunately for the mailorder house, however, much of their merchandise cannot profitably be shipped by mail beyond the second zone.

One manager says, as to this situation:

"Our troubles begin when express and freight come in. The postman comes to the mail-box at the end of the farmer's lane. An express shipment comes only to the town. Then the farmer gets a

postal or a telephone call asking him to call for it. The same happens with freight. When we can ship the goods by parcels post he gets the package about one day's mail after our letter, but with express or freight one day soon gets to be three or four before he gets the notification of arrival and then it's another day or two before he can go for the package. By that time the goods don't look half so fine as they did in the catalog."

The difficulties of delivery are complicated, too, by another factor, which is that mail-order houses that handle general merchandise like the famous ones are more and more concentrating their sales effort on goods that run into bulk and into weight. These are the very articles that require freight shipment—the kind mentioned when it was stated that "our troubles begin when express and freight come in."

Our first great mail-order house began with jewelry. Today it specializes in ready-cut houses, agricultural implements and stoves. Possibly these items indicate the change that has come into the whole industry.

"No one can make a cent selling tooth paste by mail," remarked one man, "or any other fifty-cent article. It costs too much to handle the order through the organization."

Tooth paste, as a further consideration, is handled by every local dealer. So is every one of a thousand other articles, and with chain stores entering even small towns the advantage of buying power formerly boasted by the mail-order houses and department stores alone, is now the possession of retailers without number. But turnover is so slow for bulky and heavy items that the local retailer makes no attempt to stock. He waits until an order is in prospect and then "orders it." The modern mail-order house aims to offer a wide variety of selection for such articles, just as for forty years it did for all merchandise, thus using the catalog to sell goods which no local dealer actually has in stock.

The range of such goods is limitless. In order to give an idea of what the modern mail-order house carries of this



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bulky and heavy sort, examine the following list:

Fences.  
Trunks.  
Sewing machines.  
Phonographs.  
Player pianos.  
Chinaware.  
Glassware.  
Furniture.  
Stoves.  
Pipeless furnaces.  
Farm implements.  
Silos.  
Sprayers.  
Separators.  
Roofing materials.  
Doors and sash.  
Concrete making machinery.  
Bath room fixtures.  
Stoneware laundry tubs.  
Engines.  
Meat choppers.  
Dairy machinery.  
Lawn mowers.  
Grist mills.  
Manila rope.  
Wire rope.  
Portable houses.  
Ready-cut houses.  
Builders' supplies.  
Contractors' equipment.  
Garage and shop equipment.  
Blacksmith's supplies.  
Refrigerators.  
Meat blocks.

If one reads the mail-order catalogs carefully he will notice that for each of these items (bulky and heavy) the mail-order house makes no effort to maintain stock at headquarters. For example, the Sears catalog for one type of stove announces that shipment will be made only from these points: Springfield, Mass.; Philadelphia, Harrisburg and Newark, Ohio, in addition to the Chicago stock. Certain items, such as cotton-picking bags, will be shipped only from Dallas. Groceries, on the contrary, are sold only from the large cities—sometimes only from the main office of the company.

Comparing catalogs of one year with the previous issue indicates, for this firm and for others, that stocks are being multiplied. The towns from which shipment is available are increasing with each reissue of the catalog. More, however, than the catalog information is the known fact that spot stocks far outnumber those announced. Since the mail-order houses have gone into building supplies and ready-cut garages they have found it economical to increase their points of shipment.

The older mail-order houses, the ones that have made greatest successes, are so closely imitated by newcomers into the field that they are loath to impart information. They guard their secrets and do it rather well. Yet it is known that for roofing paper one mail-order house has more than 80 spot stocks; for stoneware laundry tubs, one has 14 stocks with public warehouses; for silos and ensilage equipment, one of them has 10 stocks in Iowa alone; for ash cans and incinerators, one of them holds 4 warehouse stocks in New York that I have myself seen (and I have no guess what others there may be); for kitchen

cabinets, one has stocks at Los Angeles, San Francisco, Portland, Seattle and Vancouver in public warehouses. For catalogs—wrapped and ready for mailing, save for the label and the stamps—warehouse stocks may be found in every city.

The purpose of these stocks is not so much the saving in freight as it is quickness in delivery of the order.

### Surplus Merchandise

THE mail-order houses have difficulties with surplus merchandise. This surplus arises from two sources.

The first source is returned goods. The Sears-Roebuck guarantee, after warranting that every article is exactly as described in the catalog, adds these two sentences:

"If, for any reason, you are dissatisfied with any article purchased from us, we expect you to return it to us at our expense. We will then exchange it for exactly what you want, or will return your money, including any transportation charges you have paid."

This generous guarantee is similar to that of Montgomery-Ward, and, of course, all other mail-order houses have been obliged to equal the offer of these two leaders, not only in the wording of the warranty but also in fulfillment to the last cent.

"This broad guarantee," in the words of Mr. V. E. Pratt, formerly advertising manager for Sears-Roebuck, "has given rise to a rather unusual situation, which, however, cannot well be avoided. Customers who are not energetic enough, or who do not have the intelligence or knowledge to measure themselves for articles that must fit, will order several sizes, expecting at the time of ordering to return sizes that do not fit. If the customer is satisfied with merely trying on the article, the returned goods may sometimes be put back in stock. If, however, the customer tries out each article for two or three days, the merchandise must be either re-conditioned or sold to the job-lot dealer for second-hand store disposal.

"Merchandise unfit for further sale is constantly being returned. Customers often buy shoes, clothing, underwear, and other articles, and wear them for a short time, and then discover that they are not comfortable. They take advantage of the company's broad guarantee to return the merchandise."

Stocks of such merchandise accumulate rapidly in the larger mail-order houses. They must be disposed of. They are seldom in condition to be resold through retail outlets and are usually, therefore, disposed of at almost any price to dealers who make a specialty of visiting these mail-order houses and of buying such accumulations at prices which will permit of resale to

cheaper stores in the larger cities, or to regular second-hand stores.

So far as wearing apparel is concerned no other disposal is possible. But recent years have brought important changes in mail-order methods of handling these returned goods other than articles of personal wear. The losses through sale in job lots to brokers were too great. The mail-order managements have developed another manner of disposal, that we shall describe in a few paragraphs.

The second great source of surplus merchandise arises from over-stocks.

When mail-order buyers purchase goods and have them listed in the catalog, it is impossible to estimate accurately in advance the exact quantity of the goods that will be sold. On the other hand, they dare not under-buy, for the reason that the buyer for each department is rigidly held accountable if his department delays more than forty-eight hours in filling any order. The department is penalized in the cost accounting of the firm, and the buyer himself is penalized by the demerit system of rating for salary increases and advancement.

When stock does run short, and when the merchandise is of standard character, similar goods are used to fill the order. The mail-order houses have a form letter they use to the customer in such a case—this practice indicating how common is the occurrence of substitution of similar goods. But, for our present purposes, the point that interests is the other extreme—that of having an over-stock.

After a catalog has been out six months a new one is about to be issued. If the stock of goods on hand is sufficient to list the item in the next issue, or if the item is one that may still be obtained from manufacturers, all goes smoothly. If, however, the stock cannot be replenished, and if what remains on hand is not enough to warrant re-listing in the new catalog, it is necessary to dispose of the over-stock.

Mail-order houses, as is well known, are large buyers of distress merchandise. Wherever there is a large stock of distress goods, such as of a manufacturer going out of business or one making a last desperate effort to continue operation, it is immediately offered to these houses. If the stock is enough for a catalog listing, the mail-order houses become logical buyers. Then, in their catalogs, such an item may be used as a price leader or a special for making good their boasted lower prices.

The time was when mail-order houses disposed of all these over-stocks, arising from these two sources, in job lots to the best bidder. Their thought was to clear their warehouses by making a clean sweep of the goods. The loss was merely charged off.

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Today, however, the mail-order houses do what department stores do with overstocks. They conduct special sales.

The method is simple.

All the goods of a kind are accumulated at one center. From their sales statistics it is easy to determine what section of the country has proved the best market for the particular item. If it has sold well in the South, the surplus is shipped from all points to Atlanta. It may be accumulated at Baltimore or Seattle. One of the houses, for instance, had a line of bee-keepers' supplies that did not move, and, in studying their sales records, they discovered that nearly all sales had been in southern California, Arizona and northern Mexico. The answer was simple: the overstock was shipped to San Diego and El Paso and Phoenix. Another house took on what appeared to be a fine line of heavy overalls or work suits, but they did not sell. Again came their sales statistics to the rescue, and it was learned that best market had been among the oyster fleets of Chesapeake Bay. It was plain that Baltimore and Norfolk were the logical centers for disposal.

Having thus accumulated the overstocks at a given point, the mail-order house puts on a special sale. Circulars are prepared. They are not mailed, however, broadcast over the country, but their radius is carefully restricted to the selected region. For every name on the mailing list within this territory a circular is used. One is also inclosed with each request for catalog from that area; one is inclosed with each outgoing order to the same district.

Sales effort, in a word, is concentrated for disposal of the overstock within its most logical market. The goods, naturally, are stored with warehousemen in the selected area, unless the mail-order house happens to operate a branch of its own nearby.

In this manner the big mail-order houses conduct such sales as: "April Grocery Sales"; "Special Sale of California Dried Fruit, starting May 4"; "Summer Sale: Sale Opens the Day You Receive This Book and Closes Aug. 31" (ice cream freezers, 30 x 3½ tires, a 4-burner oil stoves and oven, an electric vacuum cleaner); "Holiday Grocery Sale" (to dispose of Christmas overstocks, the sale to close Jan. 5th); "Our Big Annual Summer Sale" (July and August); "A Money-Saving Sale of Tools" (with each item priced "only as long as present supply lasts").

### Re-Possessions

**WAREHOUSE** stocks are needed, too, owing to the growing practice of selling on time. The mail-order houses have not been able to withstand the trend to "approval selling" nor can they

escape "instalment selling." They ship on "30-days' free trial" with a promise to refund the entire first down-payment plus the freight (or other transportation) paid by the customer. Selling of this sort is advertised on many pages of the catalogs of the well-known houses—for such items as pianos, piano players, phonographs, furniture, chinaware and glassware, stoves and ranges, pipeless furnaces, plumbing fixtures, typewriters, farm implements, portable engines and all types of machinery equipment, washing machines, electrical equipment, radios. The list is limitless.

In addition to the better-known houses that sell everything under the sun, we have hundreds of mail-order houses which sell specialties, their commodities being everything from subscription books to fifteen-room houses. The Kalamazoo Stove Co. advertises stoves with a down-payment of \$5.95 and hot-air furnaces for \$10 down. Upon payment of such trifling sums as these, shipment is made for a thirty-days' trial, called "free" and supported by a promise to refund the money and the transportation charges to any customer who claims dissatisfaction.

Straus & Schram advertise 6-piece sets of furniture for \$1 down and 30-days' free trial, to be followed by the payment of a few dollars a month. The Oliver typewriter may be bought on a similar basis, or the Campbell automatic cooker, or the Encyclopedia Britannica, or the Holy Bible, or Webster's Dictionary, or almost anything else you choose to name. These are mail-order specialties, but the only way they differ from instalment goods in the Sears or Montgomery catalogs is that the seller concentrates on a single item rather than a million. The mail-order houses, big and little, ship on approval with full privileges of return, and they sell on instalments.

Thus to merchandise goods means that many sales fail to stick. The goods fall back into possession of the seller. These sellers are not stupid. They do not, therefore, direct the customer to "ship back by collect freight" the refrigerator that has seen a month's use. L.c.l. freight is too costly. On the contrary, they direct the dissatisfied customer to set out the refrigerator on the porch for a local truckman (or local warehouseman's truck) to call for it. The warehouseman puts it into storage for account of the mail-order house, and then, when a carload of used refrigerators has accumulated, the mail-order houses order them out of store in one lot. More than likely even this does not occur, for the reason that local arrangements are often made for reconditioning the refrigerators (or other repossessed goods) and disposing of them to local dealers.

This storing or re-possession in pub-

lic warehouse is greater than it would seem, for another reason. The mail-order specialty houses usually center their selling of such merchandise by zones. They do not do as the giants do: cover the country. They limit their mail efforts to a prescribed territory wherein freights are controlled, instead of spreading thinly over the whole country. One student, for example, estimates that 131 mail-order houses specialize on mail-order stoves, but, in his judgment, only about a dozen of these sell over a radius of more than 1200 miles—that distance being about as far as freights are economical for stoves.

When mail-order houses thus concentrate their selling they are rather certain to go the next step, which is to ship in carload lots to central points and there warehouse the stoves and distribute from that center. No concern in this country is keener for traffic savings than a mail-order house. It knows to a penny the difference between third zone and fourth zone for postage of any weight package; it knows the express rates and the class rates for freight. It knows the economies of warehouse storing and the savings of carload freight thus to be achieved.

One maker of player pianos, who tells me that they have sold 200,000 of these instruments by mail, says that they carefully restrict their advertising by zones. "In the end," declares he, "we must pay the freight. We can save on an average of \$21 per sale in freight and resale of the piano box if we handle it ourselves."

"To handle it ourselves" means that they ship in carloads to a warehouse, have deliveries made and the surface polished by the warehouseman, and the empty box disposed of for their account by the warehouseman. They save in the freight and they resell the containers or have them accumulated into carload lots for reshipment to the factory. If individual shipments were made to customers each box would be split into kindling wood.

A Brooklyn maker of washing machines, newly entering that industry a few years ago, made some investigations into the methods of competitors. The original plan was to sell by mail, and it had been taken for granted that each order would be shipped as received, with as little assortment as a morning's mail.

This preliminary investigation led, however, to a radical change of plan. Before the selling was launched all national advertising was given up for years to come. It was decided to market by zones, to use local advertising and principally direct-mail—with the purpose of "making our profits on the freight," to quote the words of the president-owner.

Their sales are confined to cities,

where electricity is available, and their principal market is apartment-house women. Thus considerable concentration is possible. All selling is done by mail, except an occasional follow-up. The washing machines are shipped to a warehouse from which deliveries are made and by which re-possessionings are picked up. The company saves in the crating; it names a delivered price in the direct-mail solicitation; and, in the words of the management; "What we saved right there was the only net profits we made for two years: if we hadn't done that, we'd have been in the red."

#### Hundreds of Mail-Order Houses

MAIL-ORDER business is by no means limited to Sears-Roebuck and Montgomery-Ward and half a dozen household names. There are said to be 800 mail-order houses with financial rating of \$100,000 and more, but the number of concerns doing business after mail-order methods is several times 800. City department stores have immense mail-order departments; jobbers and manufacturers and retailers supplement their ordinary volume in this manner; to say nothing of the hundreds that do business by mail exclusively.

With everyone of these a "new bag of tricks" is at hand. They are learning the lesson that has so conspicuously come upon Sears-Roebuck and Montgomery-Ward and their fellow houses; namely, that buying habits have changed with improved communication and better transportation.

The orders may be solicited by mail, without salesmen, and the order may be received by mail. But the shipment requires expedition. Twelve days between writing the order and opening the package is more than customers will endure. Unless this time can be reduced, mail-order selling is doomed.

Mail-order selling has manifest advantages.

1. The market is co-extensive with the United States mails. The retail store, as a store, can sell only to people within a short radius, but, by using the mails, it can sell everywhere. As one example, the Wanamaker stores by mail sell all parts of the world, and every year, for such sales as their furniture sales, they publish lists of the cities and States and countries where furniture has gone by mail-order sales. A manufacturer, too, can extend his selling effort to localities not covered by his sales force; the jobber can attend to needs of out-of-the-way retailers at a small cost.

2. Prospects may be selected so as to eliminate waste sales effort.

3. Particular groups of customers may be solicited. This is especially shown by the experienced mail-order houses in their effort to reach shut-ins, invalids, wives at certain periods, mothers of children so small that they get down town for shopping, people in isolated communities, etc.

4. The product and the appeal may be nicely suited to each other. A manufacturer or a jobber or a retailer must cater to a variety of demands. A con-

cern selling by mail can appeal to one narrow class of people, such as the famous case of selling an airplane factory to Henry Ford (done by mail) or selling a half-million dollar yacht to a New York millionaire (by mail with the prospect list limited to fifty names).

5. Mail-order selling permits operating economies. Personalities of employees are of little consequence under a developed system. Men and women who would starve in personal salesmanship can be employed for mail selling; buying can be standardized; tests can be made of the market and of the product as well as of the selling method.

6. Mail-order selling meets the convenience of the consumer. He orders when it suits—not when troubled by a salesman.

Against these advantages stand the physical disadvantages, which relate chiefly to deliveries and to "demonstration or exhibition" of the goods. Printed and written descriptions are cleverly used to overcome the disadvantages of demonstration, but the handicaps of delivery are, as we have outlined, a growing menace to mail-order selling.

One way out of the difficulty, already being adopted by mail-order houses, is the more careful zoning of sales effort for bulky and heavy articles and articles of high value. With sales effort thus zoned it is possible to control deliveries by accumulating stocks in advance, held in readiness for twenty-four-hour delivery rather than twelve days or the half part of that period.

## The Warehouseman Must Use Modern Merchandising

THE present day warehouse manager may not have merchandise for sale, but he must employ merchandising methods in selling storage and distribution service," according to H. B. Plummer, general manager of the Houston Terminal Warehouse & Cold Storage Co., Houston.

Mr. Plummer points out that the day of the truckman with a dilapidated truck and a tin shed is gone; in its place is the modern institution of highly efficient facilities and service for sale. And just as the public must be educated to constant use of quality merchandise, customers must be educated to the possibilities of a high class form of warehouse and distribution service. He considers that every time a manufacturer or jobber opens a new account in Houston it means some direct profits to his firm regardless of whether he has been favored with this new business. He has found that new distribution accounts brought to his territory invite competition into the territory and suggest new outlets to other shippers, and he believes that eventually his warehouse will get its part of the new business.

And just as the shipper must be made to know about the dependable service that he may expect from the public warehouse, he must often be shown the value of keeping a spot stock at local

warehouses for immediate distribution. In order to tell these shippers something about the service extended by the Houston company, direct-by-mail descriptive folders are used.

These folders, of double-page size, largely answer the natural questions that arise in the minds of the shippers, which, according to Mr. Plummer are such as the type of building, location, and the facilities for service.

#### Rates Not Mentioned

The mail advertising for this firm does not take up the problem of rates, which would require more details than the average prospect would care to wade through in the form of a general circular letter. The prospective customer is given a complete and convincing description of the building and storage facilities in the first paragraph of the letter, while the second paragraph calls attention to the convenient location of the building. The shipper is further informed that every modern facility for handling merchandise is available to insure maximum results with a minimum cost.

But words alone are not used to convince manufacturers, jobbers, importers and other shippers regarding efficiency of service, as two pages of photographs compose the inside of this double-page

folder, to show different views of the building, which contains 300,000 square feet of dry storage space and 750,000 cubic feet of cold storage.

The back of this circular contains a map showing the location of the warehouse in relation to the public buildings, manufacturing concerns, large wholesale houses, railroad freight terminals, etc. Any shipper that has so much as passed through the city of Houston is not left in doubt as to the strategic position of the warehouse.

These mentioned points of the advertising circular are supplemented by a list of the directors of the concern. As the company has accounts that contain from several hundred dollars to a million dollars worth of merchandise on hand, it is only natural that a bit of information regarding the personnel of the firm has its selling value.

This direct-by-mail campaign is backed up by personal letters and other mediums, to keep in personal contact with prospective customers. The prospects are informed that their representatives may have office space adjacent to their stocks of merchandise, thus giving them local branches.

The traffic department of the Houston company checks every incoming and outgoing freight bill to see that it is of correct rate.



# A Warehouse Cost System Which Storage Executives Will Study

*How a San Francisco Company Examines Every Expense,  
Its Importance in Economic Operations, and Its  
Relation to Establishment of Rates*

By CLARENCE R. OBRION,  
Comptroller, Lawrence Warehouse Corp., San Francisco

A PROPERLY installed and properly operated cost system gives results. It is giving them now in the warehouses of the Lawrence Warehouse Corp. of San Francisco and Oakland. Our system was established on April 11, 1927, and it is operating successfully in all of the warehouses of the company in the two cities mentioned. It is simple to install, simple to operate, economical, and *very profitable*. I am presenting herewith, as illustrative of the manner in which it operates, a few of the forms which we use, and the blank reports for both handling and storage.

We have not yet determined what the cost of some of the lighter weight commodities will be, as compared with the bare cost of the heavier commodities, but it is safe to say that the difference, or added cost of handling the lighter-weight commodities, will be about in proportion to that found in Massachusetts, New York and Illinois, and quoted in the Illinois tariff. I am referring to the latter because it is the best tariff in existence.

ESTABLISHMENT of standard cost records among local warehousemen, and the use of cost figures as a basis for warehouse rates, is necessary to prevent lowered standards of service and weakened financial responsibility, occasioned by unprofitable contracts. I suggest that you read the article in the May, 1927, issue of *Distribution and Warehousing*, the industry's only periodical, entitled "Plans for Higher Business Standards Announced by New York Warehousemen." This article describes a movement which could be well adopted by the warehousemen of the entire country.

Coming down to the Pacific coast situation, the San Francisco payroll cost is higher than at any other point in this country, and, from data in hand, I believe a correct base handling rate on heavy commodities, such as beans, flour, canned goods, etc., should be at least 7 cents per 100 pounds.

Small-lot deliveries should be given considerable further thought. The ware-

house today is called upon to handle commodities which must go out in lots of one to five cases at a time. It is not practicable to make tariff rates cover this, and we have in our tariff a charge of 20 cents per delivery, which, I believe in most cases, is not charged.

From figures that I have obtained on our small-lot delivery costs, I find that we should be entitled to at least 25 cents per delivery, and we certainly should collect it. These small-lot deliveries cost us from 18 cents to 36 cents each. When one pauses to think that the tariff rate is meant to cover only one delivery for each ton of goods received, it is only fair that customers should pay an extra charge when they have deliveries in excess of this number. I believe we are all handling accounts today some of which run up to 400 or 500 deliveries per carload. I can only repeat that a cost system will show you these facts about your own individual business, and the information will be startling to most of you.

There are many savings to be made as the result of cost keeping. Everyday costs—i. e., losses—that are getting by your men will inevitably show up in the results of a properly kept cost system. A correct knowledge of costs is a vital matter to the warehouse industry, as it is the prime factor in the establishment of proper storage and handling rates. A cost system will show you what you should get for your labor and your storage, and it will bring you to the point where you will all get together and, through your local associations, establish a proper, profitable, yet equitable, tariff.

In many cases today rates are quoted without regard to facilities offered, and without a correct analysis of the costs. Ignorance of the actual costs of doing business leads the warehouseman to contract for storage at an unprofitable figure. In too many cases we are taking the customer's word for it that we can handle his commodity at a certain price, and this I call "permitting the customer to run our business."

I am not speaking as a theorist, for I have operated a firm using 600,000 square feet of space for thirteen years. The company was successful after the first year that I took it over, and I believe this success was due solely to my spending a great deal of my time in co-operative effort with other warehousemen to establish adequate handling and storage rates. I fully believe that every operating executive of a warehouse should spend all the time necessary to attain these objectives.

Contrary to very frequent belief, handling cost is not just the labor payroll. It includes the cost of liability insurance on your men, repairs to equipment, power and light, claims, two-thirds of the salaries of executives, office salaries and general expense, interest on investment in handling equipment, taxes on equipment, depreciation on equipment, and interest on working capital. The only labor which can be charged legitimately to storage is the

(Continued on page 14)

[illegible]

**A**T the recent annual convention of the California Warehousemen's Association the cost finding and uniform accounts committees offered a recommendation, which was adopted, that the directors be empowered to retain one or more accountants to install cost finding and uniform accounts systems in members' storage plants. Quoting from a report of the convention activities:

"The system used by the Law-

rence Warehouse Corp., San Francisco, will be studied by the accountants under the supervision of Clarence R. O'Brien of that firm."

That was a signal tribute to the cost system of a specific company—and something about the Lawrence firm's accounting methods is here set down by Mr. O'Brien, who is the company's comptroller.

The author has had long experience in cost finding in the storage industry. Prior to becoming asso-

ciated with the Lawrence firm he was treasurer and general manager of the New Bedford (Mass.) Storage Warehouse Co. and received his early schooling in accounting while associated with that Boston group of executives who, members of the Massachusetts Warehousemen's Association, were pioneers in constructing storage and handling tariffs.

## STORAGE COST REPORT

BUILDING NAME

Gross square feet .....	_____
*Deduction for aisles .....	_____
Net square feet .....	_____
Amount of lease per year .....	_____

INCOME:

Receipts from storage .....  
Receipts from rentals .....

EXPENSE:

Rent .....	_____
Fire insurance, building .....	_____
Taxes .....	_____
Repairs .....	_____
Total rent .....	_____

ADMINISTRATION AND OPERATING EXPENSE:

1/3 salaries and general expense.....	_____
Watchman .....	_____
Advertising .....	_____
Interest on working capital.....	_____
Taxes .....	_____
Total expense .....	_____
Profit or loss from storage.....	_____

\*25 to 33 per cent of gross.

## HANDLING COST REPORT

## INCOME:

Receiving and delivering .....	_____
Extra services .....	_____
Total receipts .....	_____

EXPENSE:

Productive labor .....

**OVERHEAD:**

Non-productive labor .....	_____
Liability insurance .....	_____
Repairs on handling equipment.....	_____
Power, light and heat .....	_____

**Claims** .....

2/3 salaries and general expense . . . . .	_____
Interest on investment in equipment. _____	_____
Taxes on equipment . . . . .	_____
Depreciation on equipment . . . . .	_____
Interest on working capital . . . . .	_____

Total overhead ..... \_\_\_\_\_  
Profit or loss from handling..... \_\_\_\_\_

To find per cent of overhead, divide overhead by productive labor.

(Continued from page 12)

watchman and one-third of the executives' and office salaries.

Overhead, in the case of a warehouse, is a simple matter to adjust. At the beginning it required considerable time and thought for the warehouseman who first studied the problem to determine the amount of the executive and office salaries which should be charged to labor, and the amount that should be charged to storage. In a properly-operated cost system, however, that is all defined. Actual time of truckers and checkers involved in receiving and delivering is all the *productive labor* that there is. When these men are not receiving, or delivering, weighing, sampling, or performing other services for which a charge is made, their time is considered non-productive. While they are sweeping, cleaning, making room for more goods—"straightening up," as it is called—their time is non-productive. The foreman, or superintendent's, time also is considered non-productive. This non-productive time is added to the items mentioned in the foregoing as labor-expense, and the total constitutes overhead.

This factor of overhead will vary greatly in warehouses. Ordinarily it runs from 125 to 250 per cent. In dull times, when the movement in and out is light, it sometimes goes as high as 500, or even 1000, per cent, but these figures, of course, are unusual. The practice is to take the average overhead for a number of modern, well-equipped warehouses, at a time of normal activity, and call that the average to be adopted in making rates.

To construct a rate, one multiplies the time of the men while they are employed on an operation by the average pay per hour of all the men in the warehouse over a week or a month. Then add the average overhead of, say, 150 per cent. To this should be added 10 per cent for profit.

#### The Report Forms

The Storage Cost Report and Handling Cost Report forms shown herewith will be found efficient and convenient for use in dividing the figures from your books. This division will show the storage and handling costs for your entire business. Ask your bookkeeper to do this for the year ending Dec. 31, 1926, according to these forms. You then will have your storage and handling costs for that year. It may be safe to divide the payroll for 1926 two-thirds to productive labor and one-third to non-productive. This division, however, is crude, and I am giving it merely as an estimate. It is not the way to arrive at the result sought, except for an approximate test of this sort. I do know of some warehouses in which the relationship runs about that way.

After your bookkeeper has made this division of costs, the warehouse owner will be able to see approximately the amount of his overhead. It is not fair to the industry to think of handling costs merely as the cost of payroll labor, and apply it against the amount received for handling. One must remem-

ber that the cost of handling in the warehouse includes the service of the clerks and all that the warehouse has to offer. Such handling costs, therefore, will not compare with stevedoring or handling over a dock. Those are straight handling services. Warehouse handling includes clerical work for which the customer would have to pay if he did the work himself. Some of these services are:

- Opening and sorting of order.
- Stamping order with time received.
- Approving of order by department having authority.
- Making out order on warehouse form.
- Stamping with the time stamp.
- Sending order to warehouse.
- Looking up location of goods.
- Cutting stencil.
- Delivering of merchandise by laborers.
- Sorting of original order or bill of lading and sending to various departments.
- Posting delivery to stock record.
- Checking of order by billing department.
- Checking of delivery posting.
- Mailing of copy of order to customer.

#### What Distributors Know

I have, I believe, enumerated fourteen of these services, but there also are many more which must be included in the handling charge. Large national distributors know that it costs them about \$3.50 per order delivered for this work in their own plants. I have no doubt that they wonder why we warehousemen do so much for so little. The men at the head of the industries we serve know full well that it costs us considerable to handle their goods. We must, however, show them concrete facts on costs if we are to receive in return adequate compensation for our services.

It is important to learn what each form of service costs, and then to decide whether those to whom the service is to be rendered are willing to pay the cost.

A service that is not worth what it costs to someone is poor business.

I have heard warehousemen say they could not get any higher rates, but we must remember that we always can get a fair price for good, adequate, efficient service, but we have to have accurate knowledge of our costs and the nerve to ask the price. We need nothing more.

Yet I am not unmindful of the fact that we cannot get this fair return for service performed if we act alone, as individuals. It must come through co-operation. For a warehouse business cannot play a lone hand and hope to win.

Ours is a conventional business. It must be operated in harmony with all other warehouses in the district we serve, though there always will be one or two ignorant competitors in each district who will refuse to cooperate and who will cut rates. Usually they are small men, and their business remains as small as they are. We should not fear them. Merely ignore them!

If there are some customers who cannot afford to pay a fair profit to the

warehouseman, it is our business to serve those who can.

Henry Ford is credited with having said:

"Ninety per cent of the people are best served with a standard article. Five per cent more can be brought around to using these standard goods. The remaining five per cent can afford to go to the custom-maker for what they particularly want."

Therefore, he considers it most profitable to do business with the 95 per cent, and forget the other five per cent.

We in the warehouse industry are in a similar position with regard to the firm or individual who can afford to do his own warehousing. It does not pay to go after him.

If a man works all year—or any considerable period of time—for nothing, the reason usually is that he is too extravagant in his business methods.

Too many warehousemen are trying to give their customers more than they can afford to give, whether it be in too low prices, or too costly service.

A cost-accounting system will tell you speedily just where your loss is.

*Every service in the long line of distribution has to be paid for.*

I do not see why we should be paying the other fellow's expenses. We are here to make a legitimate profit out of the work he gives us. But warehouse customers have been taught to ask for more and more service. Would they not be better served if accommodations of all kinds were not so freely offered by the warehouseman? I do not mean by this that we should not do what is asked of us, if it is good business, but I do mean that *we should not offer free service*. Competition for volume has produced a wasteful effort along this line which ultimately defeats itself.

My effort is to find our exact costs, obtain an adequate return for them, and persuade as many of my fellow-warehousemen as possible to do the same things. When many warehousemen find that they are charging 50 cents, or less, for one dollar's worth of service, they will be just as hungry for adequate rates as anyone. Many warehousemen are actually giving away their own money today and do not know it. A cost-account system will tell them not only how much they are so throwing away but through just what knothole it is being thrown.

#### Value of Cost Knowledge

Now that the warehousing industry in California has been made into a public utility, the value of the cost-accounting system becomes greater than ever, for, with the forms we use, and the records in complete condition, the State Railroad Commission cannot fail to grant rate-increases when we present facts and figures to prove that we are entitled to them. Our customers then will not be able to appear successfully against us, as they have in the past. Then we will be running our own businesses, instead of having them run by our customers.

(Concluded on page 44)



# Allied Van Lines Are Now Ready to Function for N. F. W. A.

*Officers Are Elected, with Martin H. Kennelly, as President and Henry Reimers as Secretary and General Manager—New Inter-City Removals Agency to Extend Operations Through the Southeast and as far West as Colorado*

## Here Are the High Lights on the French Lick Convention

By KENT B. STILES

"AVLInc" was the outstanding feature of importance at the ninth semi-annual meeting and summer outing of the National Furniture Warehousemen's Association, held at French Lick, Ind., July 13-17. After several years of discussions and many months of constructive planning, the directors of AVLInc—Allied Van Lines, Inc.—elected officers and approved extension of the scope of this inter-city removals agency to Colorado on the west and throughout the Southern States east of the Mississippi, and early August brings actual operation of AVLInc motor vehicles in transporting household goods in competition with "outside" trucking interests which have been making serious inroads on the packing revenue of members of the National.

In choosing the officers who are to guide the destinies of an organization which is without parallel in the history of corporations in America, the directors of AVLInc selected two executives—Martin H. Kennelly as president and Henry Reimers as secretary and general manager—who were the keynote men in formulating the plan and maturing it to its present position where AVLInc begins to function. Mr. Kennelly, who is president of the Werner Bros. Fireproof Storage Co., Chicago, is chairman of the National's inter-city removals committee. Mr. Reimers, also of Chicago, is the association's executive secretary and has been the manager of the National's inter-city removals bureau which AVLInc now displaces.

The executives elected vice-presidents are Arthur A. Leonard for the central division and Barrett C. Gilbert for the eastern division, while Joseph H. Meyer was chosen treasurer. Mr. Leonard is president of the Leonard-Detroit Storage Co., Detroit, and president of the Detroit Furniture Warehousemen's Association. Mr. Gilbert is vice-president of the Gilbert Storage Co., Inc., New York City, and president of the New York Furniture Warehousemen's Association. Mr. Meyer is president of the Federal Fire Proof Storage Co., Chicago.

The directors voted to have these five men constitute the executive committee, which was given broad powers to act on behalf of AVLInc between directors' meetings.

THERE were other interesting developments at the French Lick convention—several so important that opinion was expressed unofficially by some of the directors

that the staging of these semi-annual assemblies is justified notwithstanding criticism by certain ones of the membership that two gatherings a year are one too many. These directors pointed out that a summer meeting presents opportunity for the suggesting of constructive ideas for action at the annual convention in January, thus giving the membership six months in which to give them consideration.

In this month's number of *Distribution and Warehousing* an attempt is made to present, first, a detailed story of the AVLInc situation, and, second, a résumé of the other developments of importance. The latter will be covered more extensively in the September issue and will be illustrated with numerous convention snapshots. Briefly, the high lights of the French Lick meeting were as follows:

1. The directors of AVLInc elected officers, as elsewhere set down in this report, and the members in the southeast agreed to ally themselves with the new organization, while the Colorado Transfer & Warehousemen's Association will be Colorado's AVLInc agent, with that association's members serving as sub-agents, this arrangement resulting from State laws affecting truck operators.

2. Standard loss and damage rules were adopted which will enable the railroads to get proper information for investigation of members' claims.

3. A plan for group insurance of employees was presented and discussed. The members present, queried as to whether they favored it, indicated unanimously by a rising vote that they did, and the plan will be formally up for indorsement at the annual meeting, which will be held in Del Monte, Cal., Jan. 18-22. Meanwhile the members can have the policy on a contingent basis so that the employees may be protected in the interim.

4. The delegates voted in favor of the appointment of a special committee to make tests of both the cold storage and fumigation methods of protecting garments in storage against moths, this committee to submit reports at a future meeting.

5. Warehousemen's assumption of liability for fire was discussed at length and it was decided to have the insurance committee study this problem and present a report and recommendations, possibly at the January convention.

6. It was announced that the board of directors was working on a plan, to be offered in January, to insure

N. F. W. A. members against losses on charges advanced for freight, current packing, storage and hauling charges.

7. Any unethical advertising by members will be subject to investigation by the code of practice committee if other members enter complaints, it was made known, and, upon failure of amicable adjustment, such complaints will be referred by the committee to the board of directors for action against the transgressing members.

8. A "legal clearing house" is being planned by the legislative committee, which will have something concrete to present along this line at the January meeting. This plan may include the retaining of a high grade firm of attorneys on an annual retainer, the attorneys to be students of warehouse law and to serve the National's

members in an advisory capacity as well as assisting the association in problems of legislation.

9. The secretaries of thirteen of the industry's trade organizations formed an association of their own, and the secretaries of the associations whose good standing is recognized by the National and the American Warehousemen's Association will be automatically admitted to membership. Henry Reimers, executive secretary of the National, was elected temporary chairman, and Wilson V. Little, Chicago, executive secretary of the American's merchandise division, was chosen temporary secretary.

10. The board of directors admitted fifteen more firms to the association's rolls, bring the total membership up to 853 companies.

**T**HE AVLInc directors held their first meeting on Saturday, the second day of the convention, with Mr. Kennelly presiding. He gave the number of agents, State by State, thus far signed up—153 either hauling or non-hauling—and said that 18 vans had been painted according to the organization's colors and specifications and that 37 others would be shortly.

Mr. Kennelly then announced the resignations of the three temporary directors who incorporated AVLInc—himself, Mr. Reimers, and Henry Gardner, a Chicago attorney—and Joseph W. Glenn, Buffalo, N. Y., was elected temporary chairman of the meeting and called for nominations for permanent officers.

George Sebold, Elizabeth, N. J., nominated Mr. Kennelly for president, and in seconding this nomination Daniel P. Bray, Kansas City, said that Mr. Kennelly had "led us out of the wilderness" and asked for unanimous acclamation, which was given.

The new president resumed the chair and asked for nominations for the other officers, first declaring that AVLInc was destined to be one of the biggest things in the industry. He added:

"It won't solve all problems within a few years but we have a vehicle to sell members' services. We are putting the biggest company of its kind into the field without adding one piece of equipment."

Ernest H. Milligan, New York, nominated Mr. Gilbert for eastern division vice-president, and Oliver Skellet, Minneapolis, named Mr. Leonard for central division vice-president. D. F. Shanahan named Mr. Meyer for treasurer, and Mr. Reimers was nominated as secretary and general manager, which is the one salaried job in the corporation, the other officers serving without pay. One by one the nominations were made unanimous.

Mr. Kennelly then outlined the committee which he would appoint and explained their duties. These are:

First, to study tariff—"one of the biggest jobs ever given to a committee," the president said, explaining that the tariff must be national in scope and one that would satisfy all sections of the country and be not so low that the members would not get revenue and yet not

### Martin H. Kennelly



Elected president of the Allied Van Lines, Inc.

so high as to enable competition to defeat AVLInc's aims.

Second, publicity, with Walter P. Thiebault, Chicago, as this committee's chairman, which will arrange for advertising in newspapers, telephone "red books," etc., and supervise expenditure of money appropriated for this purpose.

Third, equipment. "We must get close together on size of equipment," Mr. Kennelly said.

Fourth, finance. The president said: "We are starting off without any debts, and we want to keep that way and build up a surplus for the future."

Fifth, laws and legislation. This committee will study Federal and State statutes and Court decisions affecting truck operators.

Sixth, insurance. "Every van load should be insured whether the customer orders it or not," Mr. Kennelly said. "There should be some short form of policy that will automatically cover every load."

Seventh, purchasing. This committee will study the possibilities of wholesale buying of gas, tires, etc.

Mr. Kennelly pointed out that the board of directors was large and would be larger as other sections came in and that accordingly there should be an executive committee with power to act during the year. He asked for a resolution to that effect, and one was offered jointly by Charles E. Ware, Evanston, Ill., and Nathan Goodman, Bayonne, N. J., and was adopted. Mr. Glenn moved that the officers comprise this executive committee, and the directors so approved.

Mr. Kennelly called attention to the fact that there were some vacancies on the board of directors (as published in the "With the Associations" department in this issue of *Distribution and Warehousing*.) These will be left open—in Wisconsin, District of Columbia and Kentucky—until members there have signed up as agents. There was one vacancy remaining in Illinois, and, on motion by Mr. Bray, Mr. Kennelly was elected to fill it.

Carl F. Wittichen, Birmingham, Ala., outlined plans which members in the Southeast had under way to organize a company similar to AVLInc. Any plan which matured would be harmony with the N. F. W. A., he said, but the southerners would prefer to link up directly with AVLInc. He said he would confer with the other members of his committee—Henry C. Goodman and George C. Harris, both of Birmingham—with a view to altering plans if AVLInc would extend its scope to take in the southeastern members. Mr. Kennelly assured him that the directors would be glad to do so as soon as the southerners were ready to act. It was the general understanding that AVLInc's operations would be extended to the Southeast in due time.

Robert V. H. Work, Denver, reviewed the Colorado tax laws and Court decisions which have recently placed burdens on warehousemen and truck operators in that State and said the Coloradans desired to place themselves under public service commission regulation. On behalf of the Colorado Transfer & Warehousemen's Association he suggested that AVLInc appoint the Colorado association its agent, with the State association's members to serve as subagents for AVLInc. Discussion

brought out that some members of the Colorado body were not N. F. W. A. members, but it was pointed out that these could serve as non-hauling agents. Mr. Kennelly favored Mr. Work's suggestion, and Walter E. Sweeting, Philadelphia, offered a motion to the effect that the suggestion be referred to the executive committee for action. Subsequently it was announced that the idea had been approved by the executive committee.

The question of fees which the agents should pay was brought up by Mr. Reimers, who read the following suggested schedule:

	Hauling	Non-Hauling
Up to 25,000 sq. ft. . . . .	\$150	\$50
25,000 to 50,000 sq. ft. . . .	250	50
50,000 to 100,000 sq. ft. . . .	350	100
More than 100,000 sq. ft. . . .	500	150

These fees would approximate \$27,000 based, on the agents thus far in, Mr. Reimers said. A motion to accept them was discussed and it was felt that while they were equitable in New York, New Jersey, Ohio, northern Illinois, and other sections where there would be heavy transport movement, they were too high in Iowa, Colorado, Minnesota, Nebraska, Oklahoma, southern Illinois and the Southeast and that these latter sections should be exempted from fees so high. On motion by Mr. Sweeting it was decided that the fees as outlined by Mr. Reimers should be in force for six months, whereafter the executive committee should readjust them in the light of experience.

As chairman of the publicity committee Mr. Thiebault expressed opinion that 50 per cent of the money paid by agents should be spent for advertising during the first year. Discussion indicated that in some local sections the members would contribute, for advertising, amounts equal to those appropriated for those sections by the Thiebault committee; and that in other sections the members purposed to advertise individually at their own expense.

Following the meeting of the AVLInc directors, Mr. Kennelly made his report to the general convention. He reviewed what had taken place at the directors' gathering, and announced that the agency was ready to function notwithstanding that there were many problems yet to be solved. He traced the history of the movement. In part he said further:

"There is a fee for license in each State . . . and it was decided to take out a license to do business in practically every State . . . and this has been done. . . .

"The amount of fees paid to the various States totalled \$1,711.76. We employed the firm of Gardner & Carton to handle the legal matters and they have been working on it of course since we started to develop the plan and have taken care of all the details of incorporation and the licensing of the company in the States, in addition to the drawing up of contracts, resolutions, and all other legal details. Their charge for this service was \$2,000. Our reporting specifically on this item is that we wanted you to know that, while you gave

your committee power to incur any expense necessary, we have kept the legal expenses down to the lowest possible minimum.

"Your company, the 'Allied Van Lines, Inc.', a Delaware corporation, was organized in April, 1928; capital stock, \$5,000; 500 shares, \$10 each. At the time of incorporation \$1,000 worth of stock was issued to the temporary officers and directors, the temporary officers and directors being necessary for the purpose of qualifying the company in the various States. After this qualifying had been completed, and after we had secured a sufficient number of agency contracts, . . . we took what we called an advisory vote on directors. We refer to it as an advisory vote as really the stockholders vote and the stockholders in this instance are the trustees of the stock of the association. But the wishes of the agents were taken into consideration in electing the directors."

Mr. Kennelly said that the temporary directors turned back their stock and

## Next Month

A DETAILED story of the features of the French Lick convention of the National Furniture Warehousemen's Association will be published in the September number of *Distribution and Warehousing*.

The Allied Van Lines, Inc., was the high light of the Indiana meeting, and the details of this situation are here set down on these three pages, together with a brief summary of other steps taken.

that the latter was then issued as follows:

471 shares, par value, \$4,710, to Ralph J. Wood, Chicago, and James F. Keenan, Pittsburgh, as N. F. W. A. trustees.  
29 shares, set aside for the directors for qualifying purposes.

The latter stock was indorsed and was now held by the trustees with the other stock, Mr. Kennelly said, "so that all of the stock is in the hands of the association, and rightfully so, as the association has paid for it."

Mr. Kennelly added:

"Under this organization the Allied Van Lines, Inc., is ready to study and solve this problem of long distance moving. These problems are not going to be solved in days, or months, or years. It is going to be slow work, and don't get impatient at what seems to you delay. Remember that it has taken us all these years from the time motor vehicles came into existence to arrive at this point. . . .

"I wonder whether we really appreciate what we have done. We have placed in the field the largest agency for motor transportation of household goods, and maybe other commodities, in the world, and in doing so we have not

added one piece of equipment. We have asked not one company to stop doing this long distance moving business, but rather we are trying to get them to become interested in it. It doesn't destroy individual effort but rather encourages it.

"Think of the responsibility back of this movement. What an advantage to the public! It is certainly founded in the true spirit of our association—open to all to participate and not competing with any of us."

Discussion as to operations centered on the difficulties of accommodating AVLInc to the confusion of the truck regulation situation in Ohio, some of the Ohio members expressing opinion that it couldn't be done successfully. M. Kennelly thought that conditions would work out satisfactorily in Ohio in time.

W. C. Burbank, Warren, Ohio, offered a resolution to the effect that if any member offered his services to any organization which was adverse to the N. F. W. A., the situation be referred to the National's directors as being ground for possible expulsion from membership. After considerable discussion this resolution was tabled, on motion by F. E. Orcutt, and resolution and discussion were ordered stricken from the record.

## Death Takes J. Wallace Wakem

J. Wallace Wakem, prominent Chicago warehouseman and president of Wakem & McLaughlin, Inc., died on Sunday, July 1, at his home, 234 East Pearson Street, Chicago, following a brief illness. Mr. Wakem was 69 years old.

He was born in Callao, Peru, and received his education in England, graduating from the University of Shrewsbury which was followed by an apprenticeship in storage warehousing in Liverpool.

In 1882, Mr. Wakem left England to become a warehouseman in the United States, going to Chicago where, four years later, the firm of Wakem & McLaughlin was established. The project was an immediate success and, several years later, in order to aid all merchants, Mr. Wakem introduced a system of merchandise financing which gained him the title of the first merchandise-banker. This method is now universally used.

Shortly after he broadened his business scope and successfully entered the merchandise field, adding to this list, four years ago, radios and sport goods.

Mr. Wakem was an active member of the American Warehousemen's Association. He was a stockholder and director of the Continental Credit Trust Company for 16 years.

He is survived by his widow and two children, W. Selden Wakem and Mrs. Madeline Baines. He was a member of the Episcopal Church and actively associated with many sports clubs.



# Warehouses Were 69.1% Occupied in May, Against 69.8% in April

**Department of Commerce Statistics Show Slight Loss for Fifth Month. Stocks Dropped 27,987 Tons and Smaller Percentage Went Into Storage**

By KENT B. STILES

THE figures issued in July by the United States Department of Commerce covering space occupancy in public warehouses at the end of May show that there was a slight falling off in percentage as compared with occupancy at the close of April.

The actual occupancy was larger in May by approximately 3,500,000 square feet, but only 69.1 per cent of the space being devoted to warehousing purposes was filled, as against 69.8 per cent on the last day of April.

At the end of May, 58,473,000 square feet of space was being devoted to storage, as compared with 52,930,000 square feet at the close of April, the increase being accounted for by the fact that the May returns represented fifty-four more warehouses than reported for the April figures.

Of the 58,473,000 square feet being used for storage in 1375 warehouses at the end of May, 40,422,000 were filled, as against 36,929,000 out of 52,930,000 square feet in 1321 warehouses at the close of April.

During May, 652,354 tons of goods arrived at the warehouses, as compared with 680,341 tons in April. This was a decrease of 27,987 tons, notwithstanding that fifty-four more warehouses sent in reports.

Of the 652,354 tons which arrived in May, 500,482 tons, or 76.7 per cent, went into storage, the balance being delivered on arrival. This compares with 77.3 per cent which went into storage in April—525,965 out of the 680,341 tons which arrived during that month.

The May decline in space occupancy percentage as shown by the country as a whole was not shared by four of the nine divisions into which the country is divided for the purposes of these statistics. In New England the percentage increased from 46.4 in April to 52.2 in May. In the Middle Atlantic States (New York, New Jersey and Pennsylvania) the increase was one-tenth of 1 per cent. In the East North Central States (Ohio, Indiana, Illinois, Michigan and Wisconsin) the increase was from 75.9 to 76.4 per cent. In the Pacific States (Washington, Oregon and California) the increase was four-tenths of 1 per cent.

The occupancy percentages for the five months, January to May, for which the Government has issued figures are here set down for purposes of comparison:

Floor Space Used for Public Warehousing					
Jan.	Feb.	March	April	May	
New England					
51.4	49	47.7	46.4	52.2	
Middle Atlantic					
65.7	70.2	77.3	78.3	78.4	
East North Central					
75.4	75.3	75.3	75.9	76.4	

64.7	64.6	75.4	72.9	70.5	
South Atlantic					
64.7	78.4	64.9	62.5	57.5	
East South Central					
74.8	79.3	68.8	70.4	66.7	
West South Central					
64.7	64.6	54.6	55.4	54.3	
Mountain					
73.7	75	76.1	74.1	71.9	
Pacific					
66.2	67.9	69.4	69.4	69.8	
Entire Country					
67.6	68.7	69.9	69.8	69.1	

## Public—Merchandise Warehousing April, 1928

Division and State	No. of Whses.	Floor Space (in Thous. Sq. Ft.) End of Month					Tonnage	
		Total	Not Used for Public Warehousing	Used for Public Warehousing			Received During Month	Delivered on Arrival
				Total	Vacant	Occupied		
NEW ENGLAND:								
Me., N. H. & Vt.	8	77	18	59	33	26	67	474
Massachusetts	32	3,665	660	3,005	1,659	1,346	12,548	1,825
Conn. & R. I.	15	1,380	487	893	427	466	2,885	3,111
MIDDLE ATLANTIC:								
New York	331	13,615	3,587	10,028	2,226	7,802	102,227	31,428
New Jersey	45	4,484	785	3,699	635	3,064	45,088	7,763
Pennsylvania	36	2,962	1,307	1,655	470	1,185	15,454	3,707
E. NORTH CEN.:								
Ohio	43	2,915	1,145	1,770	533	1,237	33,526	5,476
Indiana	30	1,113	380	733	185	548	6,408	2,150
Illinois	58	7,922	4,136	3,786	871	2,915	57,188	8,131
Michigan	64	3,505	1,021	2,484	615	1,869	21,375	3,131
Wisconsin	38	983	216	767	91	676	9,581	2,958
W. NORTH CEN.:								
Minnesota	36	3,623	1,867	1,756	495	1,261	19,235	6,700
Iowa	24	938	272	666	161	505	4,905	3,185
Missouri	22	1,712	295	1,417	373	1,044	7,818	1,794
N. Dak. & S. Dak.	10	275	84	191	57	134	1,458	2,268
Nebraska	26	1,093	356	737	212	525	6,125	2,536
Kansas	24	515	213	302	78	224	7,836	1,807
SO. ATLANTIC:								
Del., Md. & D. C.	44	3,462	674	2,788	1,232	1,556	43,819	10,878
Va. & W. Va.	34	1,719	555	1,164	324	840	12,124	1,934
N. Car. & S. Car.	14	961	566	395	145	250	2,693	624
Ga. & Florida	35	2,328	1,492	836	243	593	7,508	4,251
E. SOUTH CEN.:								
Ky. & Tenn.	18	797	182	615	195	420	7,941	1,670
Ala. & Miss.	11	393	259	134	27	107	1,063	974
W. SOUTH CEN.:								
Ark., La., Okla.	26	1,703	275	1,428	614	814	14,672	2,307
Texas	70	5,146	1,086	4,060	1,835	2,225	21,629	9,994
MOUNTAIN:								
Idaho, Wyo., Mont.	8	113	21	92	25	67	658	453
Utah & Nev.	9	384	124	260	75	185	2,706	248
Ariz. & N. Mex.	6	207	78	129	25	104	356	809
Colorado	29	816	286	530	137	393	2,414	4,399
PACIFIC:								
Washington	32	2,691	1,663	1,028	463	565	6,703	2,606
Oregon	14	757	133	624	174	450	9,731	17,811
California	129	6,389	1,490	4,899	1,366	3,533	38,224	6,974
Total for United States..	1,321	78,643	25,713	52,930	16,001	36,929	525,965	154,376

Every warehouseman receiving the monthly questionnaires from the Department of Commerce owes it to himself and his industry to send in replies promptly.

These percentages, which are subject to revision for April and May, show that the occupancy for the entire country was higher at the end of May than at the close of January, and that six of the divisions shared in the increase—New England, Middle Atlantic, East North Central, West North Central, Mountain and Pacific. Of these six, the Middle Atlantic section has shown the most consistent upward trend, gaining steadily month by month, with nearly the same situation experienced in the Pacific division, while in the other four there have been ups and downs, with, however, a plus-mark for each at the end of May.

#### Tonnage

TURNING now to volume, the figures for the entire country showing a fraction of 1 per cent decline in goods going into storage in May as compared with

April, we find that this decrease was not shared by five of the divisions.

In New England the percentage of goods actually going into storage increased more than 2 per cent. East North Central showed an increase of four-tenths of 1 per cent. In the South Atlantic section the increase was nearly 2 per cent. In the Mountain district the increase was seven-tenths of 1 per cent. The Pacific States experienced the greatest increase—nearly 5 per cent.

In the West North Central section the situation was unchanged, while declines were experienced in the Middle Atlantic East South Central and West South Central divisions.

For purposes of comparison over the five months the following tonnage tables, the first covering percentages and the second considering volume, are available:

Tonnage Which Went into Storage of Total Volume Received					
Jan.	Feb.	March	April	May	
77.6	75.5	76.7	74.2	76.6	New England
90.6	94.3	82.3	79.1	74.3	Middle Atlantic
87.4	87.8	80.7	85.4	85.8	East North Central
78.1	70.4	68.8	72.1	72.1	West North Central
81	78.5	76.8	78.9	80.6	South Atlantic
79.9	78.6	73.4	77.3	76.7	East South Central

75.4	72.5	73.6	74.7	73.7	West South Central
60.2	60	55.5	50.9	51.6	Mountain
80.6	84.2	67.7	66.6	71.3	Pacific
82.5	83.6	70	77.3	76.7	Entire Country

These figures indicate that a smaller percentage of goods arriving at warehouses went into storage in May than in January, for the entire country, and that the same situation was true in the divisions individually. Conversely, a larger proportion of the arrived goods was delivered on arrival, without entering storage, in May than in January.

The other tonnage table:

Volume, in	Tons, Placed in Storage Plus That Delivered on Arrival			
Jan.	Feb.	March	April	May
18,582	20,708	New England 17,547	20,910	21,018
91,586	143,367	Middle Atlantic 198,978	205,667	200,877
126,873	157,348	East North Central 120,676	149,924	148,862
56,092	57,132	West North Central 46,985	65,667	64,034
87,846	91,609	South Atlantic 66,588	83,831	56,734
14,948	15,945	East South Central 8,415	11,648	14,770
51,711	45,130	West South Central 39,529	48,602	52,220
11,950	12,870	Mountain 8,077	12,043	12,547
52,155	57,893	Pacific 61,054	82,049	81,310
511,683	602,004	Entire Country 567,849	680,341	652,354

These figures show that 652,354 tons reached warehouses in May as compared with 511,683 tons in January. In considering this comparison, however, it must be pointed out that the 652,354 tons for May are the total reported by 1375 warehouses, whereas approximately only 1100 warehouses sent in reports for January.

#### Public Merchandise Warehouses May, 1928

Division and State	No. of Whses.	Floor Space (in Thous. Sq. Ft.) End of Month				Tonnage			
		Total	Not Used for Public Warehousing	Used for Public Warehousing		Received During Month	Delivered on Arrival		
				Total	Vacant			Occupied	
NEW ENGLAND:									
Me., N. H. & Vt. ....	8	77	18	59	33	26	62	214	
Massachusetts .....	32	3,665	670	2,995	1,630	1,565	13,333	1,719	
Conn. & R. I. ....	15	1,380	492	888	421	467	2,701	2,989	
MIDDLE ATLANTIC:									
New York .....	338	14,460	3,598	10,862	2,409	8,453	103,208	33,031	
New Jersey .....	46	4,562	809	3,753	730	3,023	17,246	12,668	
Pennsylvania .....	47	4,126	1,761	2,365	535	1,830	29,853	4,871	
E. NORTH CEN.:									
Ohio .....	44	3,661	1,160	2,501	545	1,956	33,324	3,980	
Indiana .....	30	1,113	360	753	191	562	6,281	2,272	
Illinois .....	60	8,140	4,198	3,942	1,007	2,935	58,481	8,688	
Michigan .....	64	3,505	1,021	2,484	570	1,914	21,718	2,883	
Wisconsin .....	40	1,098	298	800	158	642	8,111	3,124	
W. NORTH CEN.:									
Minnesota .....	37	3,726	1,887	1,839	544	1,295	18,654	7,277	
Iowa .....	27	1,078	302	776	268	508	5,480	2,279	
Missouri .....	23	1,742	298	1,444	409	1,035	8,159	2,215	
N. Dak. & S. Dak. ....	10	275	69	206	57	149	1,468	2,318	
Nebraska .....	26	1,084	347	737	226	511	4,898	1,905	
Kansas .....	25	561	222	339	72	267	7,494	1,887	
SO. ATLANTIC:									
Del., Md. & D. C. ....	44	3,462	674	2,788	1,399	1,389	16,870	4,866	
Va. & W. Va. ....	41	3,824	557	3,267	1,345	1,922	17,913	1,816	
N. Car. & S. Car. ....	15	980	566	414	146	268	2,633	1,191	
Ga. & Florida .....	37	2,243	1,502	841	220	621	8,322	3,123	
E. SOUTH CEN.:									
Ky. & Tenn. ....	20	972	194	778	288	490	9,405	1,917	
Ala. & Miss. ....	15	485	276	209	41	168	1,930	1,518	
W. SOUTH CEN.:									
Ark., La., Okla. ....	27	1,769	334	1,435	589	746	13,590	4,177	
Texas .....	72	5,203	1,114	4,089	1,833	2,256	24,883	9,570	
MOUNTAIN:									
Idaho, Wyo., Mont. ....	9	120	23	97	29	68	634	547	
Utah & Nev. ....	10	459	124	335	120	215	2,788	110	
Ariz. & N. Mex. ....	6	189	41	148	24	124	575	776	
Colorado .....	29	816	302	514	134	380	2,482	4,635	
PACIFIC:									
Washington .....	33	2,731	1,677	1,054	477	577	6,595	2,962	
Oregon .....	14	757	133	624	162	462	9,265	13,941	
California .....	132	6,655	1,461	5,194	1,438	3,756	42,136	6,411	
Total for United States..		1,375	84,965	26,492	58,473	18,051	40,422	500,482	151,872

#### State Injunction Ineffective Against Interstate Operation

AN injunction enjoining a common carrier engaged in both intrastate and interstate operation, from engaging in intrastate operation in the absence of an intrastate certificate does not prohibit that company from engaging in interstate operation, according to a recent decision by the Colorado Supreme Court. The Court explained that state action against purely intrastate business conducted by interstate motor carriers without securing a license from the proper state authorities is not a prohibition upon interstate commerce but a lawful regulation by the state of its highways.

#### I. C. C. Denies Trucking Application of B. & M. Railroad

APPLICATION by the Boston & Maine Railroad Co. for the abandonment of lighterage service in the Boston harbor and the substitution of trucks has been denied by the Interstate Commerce Commission. The Commission pointed out that the Merchant & Miners Transportation Co. has not failed to provide reasonable facilities at Boston for the interchange of traffic with the Boston & Maine Railroad Co. across the harbor.

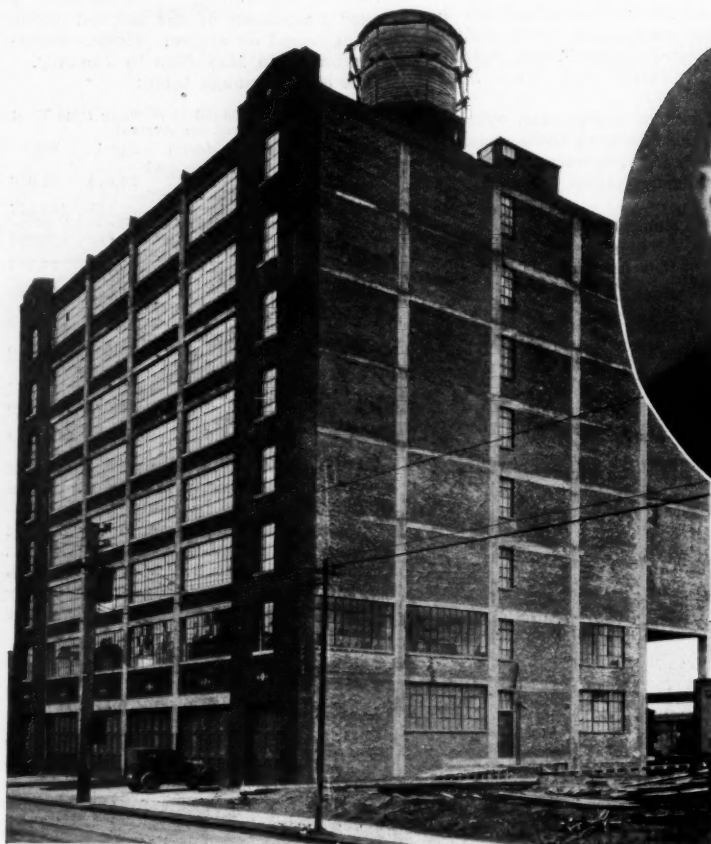
No. 50

## Alton H. Greeley

By ELIZABETH FORMAN

Success St

## Let's Take the Old Family A



Above, the Greeley Terminal, Cleveland



In oval, Alton H. Greeley, president of the General Storage Co. and head of the Greeley Terminal Co., Cleveland

Below, Mr. Greeley at his office in Cleveland



Above, building where the General Storage Co. once had its home. Here, in 1864, John D. Rockefeller had his first office. Inset below oval, Mr. Greeley's summer home on Lake Winnepesaukee, Meredith, N.H.

IT has been said that while Horace Greeley admonished the youth of the land to "Go West, young man, go West," he himself stayed in the East and made a fortune.

Be that as it may, Alton Hovey Greeley was one young man who was not guided by the precepts of his famous relative.

Born and educated in Cleveland, Ohio, Mr. Greeley now is president of the General Storage Co. and head of the Greeley Terminal Co., having made Cleveland his permanent home. His father was a carpenter-contractor. His mother's maiden name was Hovey, which accounts for the middle name represented in a business signature by the initial H.

On being graduated from high school young Greeley attended the Philadelphia School of Commerce. Returning to his old home town he found that a friend of the family who happened to be agent for one of the railroads had a lot of unclaimed freight on hand and was in need of someone to handle it. Mr. Greeley and his elder brother rented a small building and moved the goods out of the way, thus

laying the foundation for the freight terminal that today presents a fascinating vista of long passageways teeming with the men engaged in moving vast caravans of boxes, bags, bundles, with tiny engines that dash hither and yon, wiggling funny little trains of trailers along platforms that lead to waiting trains of real cars being loaded or unloaded before or after journeys to or from the four corners of the country.

When Mr. Greeley was twenty-three his father passed away. This changed the aspect of the young man's business venture entirely. Up to that time it had been an experiment, a pastime. Now it became the main support of the family and life suddenly took on a serious outlook.

The ups and downs in those days seemed mostly downs.

(Concluded on page 50)



cess Stories

# Family Album Out of Storage!

No. 51

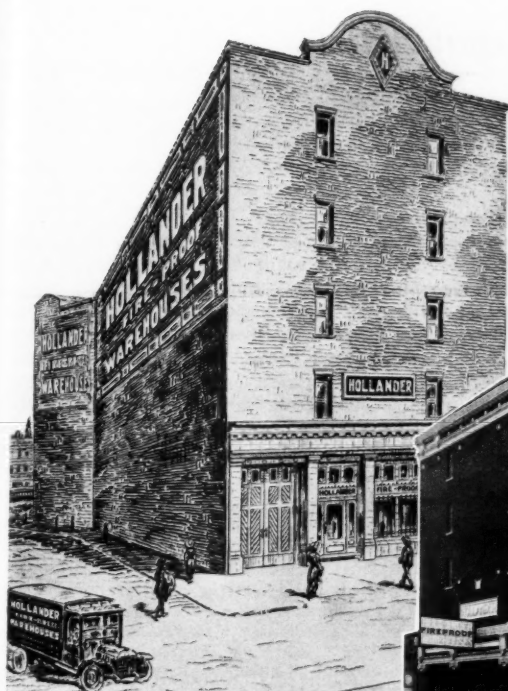
## Albert H. Hollander

By ELIZABETH FORMAN

In oval, Albert H. Hollander, president of the Chicago household goods warehouse firm that bears his name

Left, Wicker Park Plant; here, at 1616 Milwaukee Avenue, are the firm's main offices

Below, Logan Square depository at 2418 Milwaukee Avenue



Above, a Hollander horse-drawn van of ten years ago



Above, moving van for city work. Left, long distance van, bus type chassis



Above, Albany Park warehouse, at 3215 Lawrence Avenue



**T**WILIGHT of a dreary, alarming day in war-torn Germany. Out by the edge of a country village workmen, marching off to fight, have left a pile of water pipes laying. There has been a rumor that the French are marching across the border with orders to kill every baby boy under ten years of age.

Clever propaganda, this, to spur the German soldiers on

to fight—but German mothers do not know this. So they are wrapping their babies in blankets and hiding them in the pipes. They may smother there—but better take a chance than see them meet certain death.

So the mothers go back into the town, lest their presence betray the hiding place of their precious little ones. And all through the long night they watch—but the French do not come.

That was war—not as we of today remember it ten years ago but as it was waged during the Franco-Prussian conflict of 1870. The episode ended happily, for with morn-

(Concluded on page 54)

# Public Warehousing and the Law of Patents and Trade-Marks

## Seventh of a Series of Legal Articles

By LEO T. PARKER,  
Attorney-at-Law

**F**REQUENTLY warehousemen become parties to contracts for the storage of merchandise which cannot be disposed of without incurring liabilities for damages and profits in patent or trade-mark infringement suits.

Therefore the purpose of this article is to thoroughly but simply explain the phases of patent and trade-mark infringement laws most important to warehousemen.

It is important to know that the United States Patent Laws were not enacted, as the majority of persons believe, to enable inventors to grow rich, but to create interest and enthusiasm in inventive persons so that they might be induced to exert their inventive faculty and produce new and useful things. Therefore the patent laws are intended primarily to benefit the public.

In order to compensate inventors for their contribution to advancement of civilization, the public must pay the price demanded by the owner of a patent for use of his

brains, so to speak, during the usual seventeen years term of the patent. After the expiration of this period the patented device may be freely and unrestrictedly manufactured and utilized by the public without further payment of royalties. In this manner a patentee, by virtue of the Government patent grant, remains the exclusive rights and privileges of the invention for a few years in which to receive justifiable remuneration for having given something of value to the world.

For example, an early higher Court (21 How. 322) once said:

"It is undeniably true that the limited and temporary monopoly granted to inventors was never designed for their exclusive profit or advantage; the benefit to the public or community at large was another and doubtless the primary object in granting and securing that monopoly."

### Patent Monopoly

**C**ONTRARY to popular impression, any person is liable as an infringer who makes, sells, or uses a patented article without authority of the patentee. In other words, a person who merely makes a patented device for his own use is an infringer in the same degree as an unauthorized person who manufactures and sells the device. This is well-established law because a patentee retains an absolute monopoly on the patented thing.

That a patent is the most perfect form of monopoly from which profiteering, so to speak, is legalized has been recognized by the Courts since the early case of *Wilson v. Rausseau*, 4 Howard 646. Here it was pointed out that a patentee has the exclusive right to *make, sell, and use* his invention for the term of years specified in the patent grant.

Also, in *Incandescent Cantelo*, 12 Pat. Law R. 262, the exceptionally well-written opinion of the Court explains the rights of a patentee in the following language:

"The patentee has the sole right of making, using, and selling the articles, and he may prevent anybody from dealing with them at all. Inasmuch as he has the right to prevent people from using them, or dealing in them at all, he has the right to do the lesser thing, that is to say, to impose his own condi-

tions. *It does not matter how unreasonable or how absurd the conditions are.*"

Thus it is apparent that any person who makes or uses a patented device without authority of the inventor is liable for infringement.

Moreover, if a patentee prefers, he may withhold its benefits from all persons and prevent all persons and firms from making, selling, and using the invention. In the leading case of *Heaton Peninsular Company v. Eureka Specialty Co.*, 47 U. S. 146, the Supreme Court of the United States explained this phase of the law as follows:

"If he [patentee] sees fit, he may reserve to himself the exclusive use of his invention or discovery. . . . That the grant is made upon the reasonable expectation that he will either put his invention to practical use or permit others to avail themselves of it upon reasonable terms is doubtless true. This expectation is based alone upon the supposition that the patentee's interest will induce him to use, or let others use, his invention. . . . His title is exclusive, and so clearly within the constitutional provisions in respect of private property that he is neither bound to use his discovery himself nor permit others to use it."

On the other hand, it is important to know that a patentee may not legally control the resale price or restrict the

uses of a patented invention after selling it.

The Supreme Court of the United States, in the case of *Bauer v. O'Donnell*, 229 U. S. 1, established new law presently effective with regard to the right of a patentee to control the resale price of his patented product. In this case it was disclosed that each patented article had attached thereto the following notice:

"Notice to the Retailer: This size package is licensed by us for sale at a price not less than One Dollar (\$1.00). Any sale in violation of this condition, or use when so sold, will constitute an infringement of our patent, No. 601,995, and all persons so selling or using packages or contents will be liable to injunction and damages. A purchase is an acceptance of the condition. . . ."

The patentee contended that this notice was valid and enforceable against all purchasers, because it stated that the package was licensed "for sale and use at a price not less than One Dollar."

However, in holding a patentee not legally privileged to control the resale prices at which his patented product is resold, the Court, in explaining the new law on the subject, said:

"The [patent] Act secured to the inventor the *exclusive* right to make, use, and vend the thing patented, and consequently to prevent others from like

privileges without the consent of the patentee. . . . The real question is whether in the exclusive right secured by statute to 'vend' a patented article there is included the right, by notice, to indicate the price at which subsequent sales of the article may be made. But, in the essential nature of things, when the patentee, or the person having his rights, sells a machine or instrument whose sole value is in its use, he receives the consideration for its use and he parts with the right to restrict the use. . . ."

#### Right to Repair Patented Device

MANY firms, including warehousemen, have become involved in litigation as a result of acting on the unfounded belief that a purchaser of patented equipment is privileged to make any and all necessary repairs of the same. However, the purchaser of a patented article is liable as an infringer where he makes *exclusive* repairs.

In the leading United States Court case of *Shickle, Harrison & Howardman v. St. Louis Co.*, 77 F. 739, the Court clearly explained the law on this subject as follows:

"The rule is well established that one who purchases a machine or mechanical contrivance consisting of several distinct parts which, as a whole, is covered by a patent, has the right, by virtue of his purchase from the patentee, to repair a part of the machine or device which happens to be broken through accident, . . . provided the machine, as a whole, still retains its identity. . . . When a patented machine is accidentally destroyed, or when it is practically worn out, the owner thereof, under the guise of repairing it, cannot make a new machine. In such cases he must cast it aside and buy a new one from the patentee."

#### Contributory Infringement

ANOTHER very common source of legal controversy is where two or more persons, by separate acts, obtain the benefits from the use or sale of a patented article without authority of the inventor.

However, it is well established that when the acts of two or more persons effect final infringement, all are guilty of *contributory infringement* and are liable for the total profits earned, plus the amount of damages incurred by the patentee. Furthermore, where the infringement is willful, the Court may render a verdict in favor of the patentee for three times the profits earned by the infringers, plus three times the damages incurred by the patentee.

In the very recent case of *General Electric Co. v. Sutter*, 186 F. 637, a concise definition of contributory infringement is stated, as follows:

"The legal principles governing contributory infringement exists where one knowingly conceals or acts with another in an unlawful invasion of a patentee's rights. If such assistance is given by furnishing an essential part of an infringing combination, and the part fur-

nished is adapted to another than an infringing use, such contribution makes him a contributory infringer. . . ."

In another recent case (195 F. 160) several firms held liable for infringement where parts of a patented device were made in different places and shipped to another city, where they were assembled into an infringing device. Therefore warehousemen should ascertain the reliability of patrons, as well as investigate to determine the likelihood of infringement, before contracting to store and assemble products being marketed under obscure circumstances.

Also, to practically eliminate chances of infringement litigations, warehousemen whose business relations with customers entail shipment, assembly, billing, etc., of patented equipment, may include in contracts the following protective clause:

"The owner of the merchandise agrees to pay losses incurred the warehouseman by reason of suits for infringement of any patent, trade-mark, and copyright. In other words, the owner guarantees that the equipment and structure specified in this contract will not infringe any valid patent, trade-mark or copyright, and said owner agrees that if a suit is filed involving said warehouseman for infringement (or other action is taken involving said goods) and charging infringement, said owner will reimburse said warehouseman for all expenses and losses incurred as a result of said suit or other legal action."

It is very important that the protective clause be inserted in the body of the contract, signed by the owner of the goods or his authorized agent. The protective clause may be printed on the back of the order form, if a stipulation is included in the body of the contract, as follows: "The clause on the reverse side of the sheet forms a part of this agreement."

#### Patent Subdivision

A PATENT may be obtained on any new and useful device, thing, or art.

Patents are subdivided into classes, usually known as mechanical, process, composition, article of manufacture, and design. The four first mentioned classes of patents issue for seventeen years, whereas a design patent is granted for three and one-half, seven or fourteen years, as the inventor desires, with increased Government fees for the longer terms.

Mechanical patents are obtainable on mechanical devices; process patents include any method of making an old or new article, whether by mechanical, manual or chemical means; composition patents are issued on things made from compositions of matter or mixtures of chemicals; articles of manufacture patents are granted on articles which are to be manufactured but not included in any of the former classes; and a design patent relates *exclusively* to the external

appearance of an article, which must be ornamental and attractive.

The infringement laws are practically the same for all classes of patents, although considerable variations are apparent in the procedure of obtaining different kinds of patents.

#### The Law of Trade-Marks

THE trade-mark laws provide for registration of any distinctive name or symbol of a salable article, provided the same is sufficiently different in all respects from marks previously registered so that use of the new mark will not interfere with the established business of the owners of other marks, and also so that purchasers are not likely to be confused by similarity of the new and old marks.

A trade-mark issues for twenty years and it may be renewed indefinitely every twenty years. The only requirement for renewal is that the owner must continue to use the name or mark in the business to which it is applied.

To acquire the right to the exclusive use of name, device, or symbol as a trade-mark, it must be shown (1) that it was adopted for the purpose of identifying the origin or ownership of the article to which it is attached; (2) that if the device, mark, or symbol was not adapted or placed upon the article for the purpose of identifying its class, grade, style, or quality, or for any purpose of identifying reference to or indication of its ownership, it cannot be sustained as a valid trade-mark; and (3) that if the exclusive right to the use of the mark or device, claimed as a trade-mark, is founded on priority of appropriation—that is to say, the claimant of the trade-mark must have been the first to use or employ the same.

Generally speaking, common names cannot be appropriated as trade-marks. Moreover, words that are descriptive of the product should not be selected as trade-marks. Only such marks that are distinctive are held by the Courts to justify broad protection.

For instance, the very well-known trade-mark "Uneda" is a coined word. Strange as it may appear, the word "Eta" was held to infringe the mark "Uneda," although the two words are not similar.

#### The Use of Slogans

A WAREHOUSEMAN may acquire exclusive ownership of a slogan by using it continuously, although the same cannot be registered as a trade-mark. This is true because it would be unfair competition for a firm to appropriate another's publicity or good will.

However, no firm is legally the owner of a word, mark, or slogan unless the firm's name is associated with such symbol.

For example, in a recent case of *Westminster v. Hesse*, 156 S. W. 767, it was disclosed that a company expended a large amount of money to advertise throughout a certain city the word "Stopurkicken" without including the name of the advertiser. This form

(Concluded on page 29)



# Skid Platform and Lift Truck Sizes Are Standardized by National Conference

*Warehousing Cooperates with Government and Manufacturers in Reaching Agreement as to Dimensions*

By PHILIP G. LOUCKS

Distribution and Warehousing's  
Washington Bureau,  
1163 National Press Building

**M**ANUFACTURERS and users of skid platforms and lift trucks reached an agreement on standard dimensions for two sizes of skid platforms at a general conference held under the auspices of the Division of Simplified Practice of the Department of Commerce on June 28, and fixed Oct. 1, 1928, as the effective date of the new standards.

The general conference had before it tentative standards recommended at previous meetings of users and manufacturers which formed the basis for discussion.

Resolutions adopted call for two standard dimensions, 8-inch and 12-inch underclearance for skid platforms, and fix 29 inches as the minimum clearance between runners or supports of skids.

The truck manufacturing, distribution and warehousing industries will be circularized by the Department of Commerce in an effort to obtain written approval of the standards by at least 80 per cent of these industries, by volume, before their final promulgation.

A standing committee, consisting of Robert A. Leshner, chairman, J. W. Gerber of the Southern Railway, N. C. Damon of the National Automobile Chamber of Commerce, C. B. Crockett of the Society for Electric Development, W. A. Meddick of the Lakewood Engineering Co., Walter Steubing of the Steubing-Cowan Co., and Edwards L. Leeds of Leeds Tozzer & Co., will meet a year from the effective date of the standards to consider advisability for revision.

The suggestion of the warehousing industry that standard dimensions be established for overall length and width of skid platforms, with the proviso that there be two standards, one to be such that this size of skid can be placed three abreast in a freight car and the other the same length as the first but twice the width, was approved at the conference. These skid platforms would be approximately 32 or 33 inches wide overall, and 48 or 50 inches long, and 48 or 50 inches wide and 64 inches long. With

these dimensions the smaller skids could be placed three abreast in a 102-inch freight car and the larger skids two abreast, utilizing the maximum amount of floor space and rendering the loads easily handled. It was suggested that skids of this size should be constructed to permit the lift truck to be used from all four sides of the skid.

Standard terminology for skids and trucks, for use by all industries, was adopted by the conference. The definitions for platform and box skids and hand and power lift trucks are as follows:

**Skid Platform**—A platform of given size which is mounted on skids or legs which can be easily moved from place to place.

**Skid Stock Box**—A platform of given size, which has closed sides and ends, forming the shape of a box and which is mounted on skids or legs, so that it can be easily moved from place to place.

**Hand Lift Truck**—A three or four-wheel truck, the upper platform of which is adjustable to different heights, this adjustment being made by hand and the truck propelled by hand power.

**Power Lift Truck**—A three or four-wheeled truck, the platform of which is raised or lowered by power, and the truck and load it carries propelled by power.

The meeting of the manufacturers and users was harmonious throughout, both agreeing that great savings in the material handling industry will result from standardizing skid platforms which can be interchanged between shippers and readily handled on trucks of standard dimensions.

Differing opinions as to whether the conference should adopt standards for lift trucks and also for skids or for skids alone were quickly reconciled. Manufacturers agreed at a preliminary conference upon tentative sizes for platforms for both hand and power trucks of 7 inches and 11 inches above the floor in the lowest position. However, the truck manufacturers were a unit in declaring that whatever dimensions were adopted for skid platforms at the conference would be satisfactory to them and they would quickly turn to making

trucks which would conveniently handle standard skids. Little time will be required for clearing stocks, they added.

Officials of the Division of Simplified Practice are well pleased with the progress made at these conferences on the first of a number of simplified practices for elimination of waste in the distribution industry. They believe the recommendations will be quickly accepted by the trade and that sufficient number of written acceptances will be received to permit the standards to become effective on Oct. 1. It was made clear, however, that before other problems of the industry are discussed the skid platform and lift truck problems will be thoroughly worked out. Other problems touching on this phase of the industry will be taken up later, it was indicated.

While the industry is acting on the recommendations of the conference, members of the standing committee and officials of the Department of Commerce will take up with railroads and the Interstate Commerce Commission the question of freight rates on the return of skids to the shipper with a view to obtaining low rates on this variety of material handling equipment. This is considered an important factor in increased use of platform skids for shipping goods in general commerce.

Motor car manufacturers met at Detroit recently and approved the plan for standardization. The meeting was presided over by J. A. Germontprez of the Hupp Motor Corporation, a member of the general committee on standards for material handling equipment. Railroads, too, are giving the plan careful study and several steamship companies have already lent their indorsement to the standardization plan.

Present at the meeting of manufacturers of lift trucks held in Washington prior to the general conference, were the following:

C. E. Cochran, Elwell-Parker Electric Co., Cleveland; C. B. Crockett, Electric Truck Manufacturers, New York City; J. C. De Vilbiss, Excelsior Plimtruck Co., Washington, D. C.; V. M. Drew, Electric Wheel Co., Quincy, Ill.; H. J. Fuller, Yale & Towne Manufacturing

(Concluded on page 48)

# FROM THE LEGAL VIEWPOINT

By Leo T. Parker

## Goods Sold for Charges

**L**EGAL EDITOR, *Distribution and Warehousing*: Suit for \$2,000 been brought against the Hartford Dispatch & Warehouse Co. by Jacob Schwolsky for Mrs. Glanz. The facts are as follows:

Goods were put in our warehouse for storage May 10, 1926, and monthly statements were mailed and no payment for storage was received for several months. As the goods were fast eating up value in storage, same were advertised in the Hartford papers in accordance with the law, Feb. 18 and Feb. 25, and offered for sale at public auction on Feb. 28, 1927.

During the time that goods were in storage, accumulating charges, every effort was made by us to locate the owner. Letters were sent and returned. Within our files are registered letters sent to her last known address, which have been returned and unclaimed.

At the time of the auction everything was sold with the exception of bedroom set on which no bid could be obtained and we returned same to our warehouse, holding it in the name of our customer.

After crediting customer's account with proceeds of the sale deducting advertising and auctioneer's expenses, etc., it was found that we had obtained \$50 more than the amount of our bill at the time of the auction. This credit was applied to the customer's account to take care of future charges assessed against few pieces including bed room set which had not been disposed of at the auction and which had been placed back in storage.

Along about the middle of November, Mrs. Glanz, the owner, called at our warehouse, requesting that her goods be shipped out of town. We informed her that goods had been sold, showing her notice of sale, registered letters, etc., and gave her a list of the articles remaining in storage. We showed her statement of her account which, even with the amount realized at the sale and which had been credited to her account, now showed that she was then indebted to us for some few dollars.

Answer: It is certain that if you advertised the goods and sold the same in strict accordance with the law, you are not liable. There are, however, two important points of the law involved. The first is regarding your selling a greater amount of the goods than necessary to pay the accrued storage charges. However, since this amount of \$50 was later required to pay charges on the remain-

ing goods, I believe this act was immaterial.

The leading and latest higher Court case involving controversy over the owner of goods not receiving notice of the intended sale for charges is *Conte v. Mill & Mine Supply Co.*, 156 N. E. 233. Here it was disclosed that a warehouseman issued a receipt having printed thereon a notice that if any storage or other charges on stored goods were not paid for six months after the same should become due, the storage company might sell the goods at public auction to pay the accrued charges thereon, ten days after notice in writing had been mailed to the address of the owner.

The owner of the goods failed to pay the storage charges and, for the reason that he changed his address, he did not

Of course it is well established that where a warehouseman sells stored goods and does not comply with the law in doing so, he is liable. I suggest that you consult a reputable local attorney and inform me of developments in the case. Perhaps I may assist you in supplying needed citations.

## A Leaky Roof

**L**EGAL EDITOR, *Distribution and Warehousing*: We rented a warehouse with a composition paper roofing; not on a signed lease, but on a verbal agreement by the month. Some time after we moved into the building it started leaking and after the owner was notified several times he had some asphalt or tar smeared in spots on the roof. The leak may have been stopped in this particular spot but it broke out in other places. In the course of the next year he was notified quite a few times and sent men to work on the roof about twice. They did not stop the leaks and he was advised that it couldn't be done unless a new roof was put on. This he would not do on account of the expense.

We had some sugar stored in this building and quite a few sacks got wet and became caked and hard. The owner had to sell it at a reduction and sent us the bill for the difference between the price it brought and the market price.

We would also like to know if sugar, which has been stored at one place for more than a year, can become caked and hard from the general dampness in the atmosphere.

We would appreciate very much your opinion on this matter.—*Elkin Transfer & Storage Co.*

Answer: In *Cordes v. Guy*, 262 Pac. 131, a landlord was held liable to a warehouseman where stored goods were damaged as a result of a leaky roof. However, that litigation involved a lease contract in which the landlord agreed to keep the roof repaired.

It is possible for sugar to melt and become caked or, under certain circumstances, extreme dampness may effect the same result, although this is unlikely.

In this case your chances of recovering damages will be materially increased if you can introduce evidence showing that the water leaked directly upon the sacks of sugar. Also, it is probable that if you cannot prove this point of the law, your case will be strengthened should the landlord fail to introduce testimony showing that, in

## What Don't You Know?

**M**R. PARKER answers legal questions on warehousing, transfer and automotive affairs.

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receive notice that the goods were about to be sold. The warehouseman proceeded to sell the goods at sheriff's sale, and when the owner learned of this he sued the warehouseman to recover damages.

The lower Court held the warehouseman not liable, but the higher Court reversed the judgment, ordered a new trial, and said:

"As there was a conflict in the evidence as to whether or not the notice in question was mailed by registered letter, addressed to the last known place of business or abode of the plaintiff, who was the person to be notified, that question should have been submitted to the jury for consideration under proper instructions."

Therefore, if this warehouseman can prove that he mailed the notice of sale to the last known address of the owner, he is not liable. Also, see *Robinson v. Merchants*, 256 Pac. 808.

the locality in which this sugar was stored, other sugar had caked when in storage.

The law is established that, notwithstanding that a landlord is not legally bound to repair the roof, yet, having undertaken so to do, he is liable for the damage sustained on account of a failure to make said repairs in a proper and skillful manner.

The principle that governs in such cases being that, although the landlord is not bound to repair in the absence of an express covenant to repair, where no controlling statute interferes, and though his promise to repair is without consideration, and hence is unenforceable, yet if he shall voluntarily and gratuitously undertake to repair the premises, he is bound in so doing to use ordinary care and diligence. He may be held responsible for his negligence or lack of care and skill, or the negligence of his servants, or those employed by him in doing what, in the first instance, he was not bound to do.

The distinction is made by the authorities between nonfeasance and misfeasance of the landlord. In other words, the law distinguishes between the failure or refusal of the landlord to do what he has not promised to do, or is not legally bound to do, and his doing it in a negligent manner. But if the landlord voluntarily repairs and actually enters upon the carrying out of his scheme of repair, he will be responsible for the want of due care in the execution of the work upon the principle of liability for negligence, without reference to any question of implied contract to repair or implied consideration.

The leading cases in your State (Texas) are *Lynch v. Ortlieb*, 28 S. W. 1017; *Ara v. Rutland*, 172 S. W. 993.

#### A Lighted Match

THE law is well established that a warehouseman is expected by the law to exercise at least ordinary care under all circumstances to prevent damage or injury to the warehouse and its contents.

For illustration, in *Mason v. Carter Packet Co.*, 116 So. 378, it was disclosed that while the employees were loading merchandise on a freight boat from a private warehouse a match was struck in the warehouse by the pilot on the boat, and the contents of the warehouse became ignited and were destroyed by fire.

The warehouseman contended that the owner of the boat was liable for the loss because the pilot negligently caused the fire. However, the testimony disclosed that the pilot had lighted the match in the presence of the warehouseman intending to relight a lantern which had been extinguished, and that although the warehouseman realized the hazard of fire, he failed to warn the pilot not to light the match. In view of this testimony the Court held the warehouseman not entitled to recover from the owner of the boat, and said:

"As a reasonable man, he [warehouseman] must be presumed to have

been aware of the danger which might result from fire through the striking of a match in a warehouse whose walls were covered with highly inflammable lint. As plaintiff [warehouseman] failed to take any steps to prevent the lighting of the match in a place so patently subject to fire hazard, he must be held guilty of such degree of negligence, imprudence, and want of care as to bar his right of recovery of damages in the present case."

#### Lists for Tax Purposes

QUITE often warehousemen are confronted with considerable inconvenience and trouble in complying with certain laws which require them to supply lists of stored merchandise, and the names of its owners, to city authorities. It is important to know that laws of this nature are deemed valid and enforceable. Therefore, money expended in testing the validity of such laws generally is unwisely spent.

For example, in 3 S. W. (2d) 949, a suit was instituted by a tax assessor to compel the Inter-State Forwarding Co. (now the Interstate Fireproof Storage & Transfer Co., Dallas, Tex.), engaged in the general warehouse business and operating trucks used in the moving business, to comply with the law and furnish records of all of the property stored in the warehouse on Jan. 1, 1927, together with records of the owners of such property and their residences.

The warehouseman contended that the law was unreasonable, because supplying the desired records would result in considerable expenditure of time and money.

It is interesting to observe that in holding the warehouseman bound to supply the records, the Court said:

"The classification made by the Legislature in reference to warehousemen as contradistinguished from that class of business engaged in by banks and trust companies was not an invidious or arbitrary distinction, but one resting in the difference that exists in the character of the business conducted by such other bailees, which was but a just recognition of the existence of a difference in the class of the business so engaged in, and it was within the province of the Legislature to apply different rules in recognition of such difference."

Also, the Supreme Court of the United States in the leading case of *U. S. v. Stowell*, 133 U. S. 1, explained the law on this subject, as follows:

"By the now settled doctrine of this Court statutes to prevent frauds upon the revenue are considered as enacted for the public good and to suppress a public wrong, and therefore, they are to be fairly and reasonably construed, so as to carry out the intention of the Legislature."

#### Damage Caused by Skidding Truck

CONTRARY to the opinion of the majority of warehousemen, the drivers of motor trucks are required by the law to exercise a higher degree of

care to prevent accidents with the drivers of smaller motor vehicles.

Of course a warehouseman never is liable for damages caused by motor trucks if the testimony discloses that when the accident happened the driver was exercising the same degree of care as would have been used by other prudent and careful motor truck drivers under the same circumstances.

The recent case of *Barrett v. Caddo Transfer & Warehouse Co.*, 116 So. 563, illustrates the degree of care legally required of the operators of moving vans. Moreover, instructions given to your chauffeurs in accordance with information of the details and outcome of this controversy should decrease your chances of financial losses from this source.

The facts of this case are that, in the daytime, a truck belonging to a warehouse company was driven by one of its employees down the street on its way to the warehouse, which is located on the alley about 75 feet from the entrance into the street. In attempting to turn to the right, out of the street into the alley, the truck skidded across the sidewalk and against the iron post supporting the alley corner of a building. The impact was so violent that the iron post was dislocated and knocked down, and the entire corner of the three-story brick building, from ground floor to roof, collapsed and toppled to the sidewalk. The driver of the truck was buried in the debris and instantly killed.

The owner of the destroyed building sued the warehouseman for an amount equal to the cost of reconstructing the house. The warehouseman attempted to avoid liability on the contention that the driver's negligence was not the cause of the damage, as the truck was traveling at less than ten miles an hour when the accident occurred, and further that the collision resulted from the unavoidable skidding of the truck, due to the slippery condition of the pavement at the point where the accident happened.

However, the Court held the warehouseman liable for the full amount of the damages sustained by the owner of the building, and said:

"That the street was slippery and the grade downward are admitted facts. In addition to this, there is positive evidence in the record that the employee of defendant [warehouse] company operated this truck down grade and upon a slippery pavement at a rate of speed of eight to ten miles per hour, and slowed down but a trifle in his attempt to make the turn from the street into the alley, when the machine skidded and crashed headlong into the building. The accident was sudden and was accompanied by terrific force, as is shown by the nature and extent of the damage resulting to plaintiff's building. . . . Had the driver of the truck approached the alley in the proper manner to enable his machine to enter safely, the front of the machine would have been directed into the mouth of the alley, and not negligently toward the corner of



plaintiff's building, which might have escaped injury had the car approached the alley in proper alignment, even had skidding occurred."

#### Delivery of Stolen Goods

THE law is established that a warehouseman who issues negotiable warehouse receipts is liable if he redelivers the goods to any person, other than the owner, if he knows that the merchandise was stolen. Also, this statement of the law is true although the receipts are presented by a person other than the original depositor of the goods. Moreover the owner of the goods may institute legal proceedings against the warehouseman without making formal demand for the merchandise or its equivalent value.

For instance, in *Bush v. Ogletree*, 142 S. E. 463, it was shown that a warehouseman delivered stored merchandise on presentation of warehouse receipts, after being informed that the goods had been stolen. The owner of the property sued the warehouseman to recover the value of the merchandise without requesting the latter to redeliver the goods or account for the same.

The warehouseman attempted to avoid liability on the ground that the owner had not demanded possession of his property before filing the suit, and further that he had delivered the goods to a *bona fide* holder of the receipts. However, the Court held the warehouseman liable, and said:

"Where goods are stolen and deposited by the thief in a warehouse, their delivery by the warehouseman to the depositor, after notice of the theft and of the true ownership of the property, renders the warehouseman liable to the owner as for a conversion.

"Where an actual conversion of property is shown, no demand is necessary as a condition precedent to its recovery by the owner."

#### Transportation Lien

GENERALLY speaking, a warehouseman automatically relinquishes his right to a lien for transportation, or other charges, where he willingly delivers to the owner the merchandise on which a lien is claimed. And it is important to know that repossession of the goods by the warehouseman does not revive the lien.

For instance, in *Contractors' Machinery & Storage Co. v. Gueguen*, 260 Pac. 669, it was disclosed that a transportation and storage company agreed to transport an engine at a stipulated charge. After the engine was delivered to its owner the latter refused to pay the transportation bill. The storage company then took possession of the engine and after holding it a short time, advertised it for sale in a customary manner to satisfy the lien. The owner of the engine filed suit to prevent the storage company from selling the engine, contending that its right to a lien was lost when the engine was delivered

to him and that repossession of the engine by the storage company did not revive the lien. In holding the storage company not entitled to sell the engine to recover the transportation charges, the Court said:

"It seems almost too simple to require demonstration that there could be no lien on the engine for services in hauling other material, and that the right to a lien for hauling the engine from Seattle, in the first instance, was lost when the carrier [storage company] made delivery."

#### Receipt Issued to Self

THE Court in *First National Bank of Lincoln v. Lincoln Grain Co.*, 219 N. W. 192, in commenting upon the right of a warehouseman to issue warehouse receipts to himself on his own stored goods, and using such receipts as collateral to secure his indebtedness, said:

"Therefore, in the light of the common-law principle quoted, and in view of the terms of the legislation before us, no difficulty is found in reaching the conclusion that under this Act the right of a warehouseman to issue warehouse receipts on his own grain in storage in his own public warehouse, to secure his own indebtedness, is recognized."

This same Court explained the rule for determining when goods are legally delivered in the control of a warehouseman, saying:

"It is necessary to the validity of warehouse receipts that the warehouseman issuing the same have possession of the goods covered by them. But to say a delivery to a warehouseman must be in or within the four walls of a certain building would ignore the established course of the business of the trade as well as the terms of the controlling statute. The rule as to delivery to a warehouseman seems to be that, if the property is delivered in the vicinity of its warehouse in such a manner that it may be said to have passed from the control of the owner to the possession and control of the warehouseman, such delivery is sufficient for all purposes."

#### Attaching Stored Goods for Debt

IN *Warner v. Tyng Warehouse Co.*, 265 Pac. 748, it was shown that a receiver was appointed for a company which had stored a quantity of goods in a warehouse. The receiver demanded delivery of the goods by the warehouseman, who refused to make delivery for the reason that another person had loaned the owner of the stored goods a large sum of money. The lender of this money entered the suit, contending that his claim on the stored merchandise was superior to that of the receiver.

The lower Court held the receiver entitled to possession of the goods, but

the higher Court reversed this decision, saying:

"Goods stored in a warehouse cannot be attached by garnishment or otherwise be levied upon under an execution unless the receipt be first surrendered to the warehouseman or its negotiation enjoined."

#### Voluntary Sale of Mortgaged Property

OFTEN the question of the right of general creditors to receive proportionate amount of the money paid to satisfy a mortgage is presented to the Courts. Under certain circumstances the holder of a mortgage may forfeit his right to all or a part of the money paid for settlement of a mortgage debt. Obviously, it is important for warehousemen to be informed of the procedure capable of effecting this result, so that the unfortunate situation may be avoided, because the holder of a mortgage rightfully deserves full payment of the debt.

In *Riddle v. Etling*, 258 Pac. 162, controversy developed where the holder of a chattel mortgage did not foreclose the mortgage, but the debtor sold the mortgaged property and gave the money to the holder of the mortgage expecting it to be applied to the mortgage debt. However, the holder of the mortgage credited the money to a debt different from the mortgage debt. The mortgagor contended that since he had given the money to the mortgagee specifically to be applied to the mortgage debt, the latter accepted without his legal rights in applying it to another debt. In holding that under these circumstances the creditor may apply the money to any account, the Court said:

"Of course, if the creditor foreclosed his mortgage, the proceeds of the sale will be applied upon the debt thereby secured, because the very purpose of the foreclosure is to convert the security into money for the payment of that specific debt. But if the mortgagor voluntarily sells the property, and turns the money thus realized over to the creditor without direction for its application, the right of the latter to apply it to the unsecured debt is, in our judgment, a logical deduction from the propositions of law. . . . In the latter case the lien of the mortgage does not follow or attach to the money, and the mortgagee has no recourse upon any other person to whom such moneys have been paid. In the hands of the mortgagor they have no different character than moneys derived from a wholly different source."

Ayer, Mass., is to have a \$60,000 cold storage warehouse—to be constructed for the Nashoba Cold Storage Corp., identified with the Nashoba Fruit Growers' Association. The plant will be fireproof, of reinforced concrete and tile construction, 165 by 70 feet, two stories high, and will be located on Central Avenue abutting the Boston & Maine tracks. The capacity will be 50,000 boxes of apples. The warehouse should be completed late in August.

An intelligent guide to economic distribution: the annual Warehouse Directory. He who consults it, profits.

H. A. Haring's

# New Business for Warehouses

## XXXIII Drug Specialties a Potential Source of New Revenue

**W**AREHOUSEMEN everywhere are experiencing the effects of hand-to-mouth buying in that stocks in store seem to grow smaller. It is getting to be that lots of two or three carloads are infrequent. At the same time the number of deliveries per carload seems to increase.

Fortunately, all stocks do not bring what one warehouseman related last winter at French Lick Springs when he told of receiving into store in his warehouse in New York two carloads of condensed milk, 2800 cases, from which he made more than 1100 deliveries! This warehouseman characterized that experience as "high powered speed in distribution," and his tale at once won

agreement that "distribution" is running wild while "storing" threatens to become extinct.

Especially in the larger cities, however, does it seem to be a common experience that deliveries are on the increase, while "solid bays" in the warehouse of a single commodity are becoming rare.

Any commodity, therefore, which offers a long period of storage, with few deliveries, becomes attractive to the warehouseman. It helps by its "straight storage" to bring down the average cost per lot, and it gives a boost to the warehouse's percentage of occupancy.

One commodity of this sort is the special run of print paper.

### What Special Runs Are

**A**LTHOUGH the variety of print paper on the market seems ridiculous, there is always a certain demand for special runs to meet some peculiar requirement of a customer. An example that recently came to my attention is the following one:

The Woodcraft League of America (of which Ernest Thompson Seton is Chief) for its tribes of woodcrafters has a system of honors for out-door achievements. A member learns the method of resuscitation for a drowning person, or learns to identify eighty birds in the woods, or comes to know thirty mushrooms in Nature, and, for such an achievement, is entitled to an "honor" or a "coup." To get this honor, however, it is required that two witnesses shall formally document the accomplishment. When thus verified, the honor is granted by the local tribe of woodcrafters. Later it is forwarded to national headquarters for recording and for qualifying the holder to certain degrees in woodcraft.

In keeping with the out-door atmosphere of the Woodcraft League, these witnessed "honor claims" were printed on a special paper that was a wonderful imitation of the bark every tourist has peeled off a "paper birch" tree. The paper was distinctive. Everyone who saw a sheet could not repress an exclamation of approval.

But, in 1927, the edition of these honor claims became exhausted. An order was given the printer for a new edition. He, however, in ten days reported that the paper mill would require sixty days to make the paper. That sixty days' delay was impossible, for the reason that already woodcrafters were telegraphing

for honor claim blanks. National headquarters therefore ordered the new supply on ordinary white paper.

Hardly had the new blanks been distributed, however, before complaints overwhelmed the national officers. Everyone voiced dissatisfaction about the "paper stock," although of course they did not use that technical word. They did know, and they yelled about it, that the new honor claims lacked the distinctiveness of the old.

This incident will serve to illustrate the demand for special runs of paper, despite the infinite range of color and texture offered a purchaser by the mills and the paper merchants. Every day some customer of a print shop requests something that shall be distinctive or that shall fit a peculiar circumstance of "eye appeal."

House organs are a prolific source of this demand for something "different." Direct-mail users, advertising agencies with their studied use of psychology in selling, department stores in their use of "new art" for posters and letter stuffers, lithographers for booklets and cards, newspapers for their rotogravure sections, banks and business houses for checks and vouchers, clubs and societies (like the Woodcraft League) in order to carry out a romantic or fantastic idea, the Santa Fe Railroad for its "Indian Detour" literature, a dealer in Navajo blankets for his catalog, a Cincinnati pottery maker for high-grade vases, Mission Inn at Riverside for its menu cards and letter-heads, a maker of paints for container labels—the list is endless, of those who require special paper.

### The Local Printer

**T**HESE customers deal, of course, with their local printers. The printers, in turn, lay their problems to the salesmen of the paper mills who drop in on their morning rounds (or the salesmen of the paper merchants who represent the mills). Then, after a week of correspondence with the distant mills, come prices for the special runs of paper.

No paper mill, however, can run a special without high costs. It costs time and money to design the special tint and texture. In addition to this planning expense, more expense arises from setting the rolls and changing the machinery for the special run. Of all these items the one most commonly not considered is the matter of replenishing the supply at some future date, and the almost humanly impossible task of duplicating color and texture to a nicety.

"Special runs," says one mill owner, "never are satisfactory. The first lot is all right, but when they want a re-run they're pretty sure to complain. The difference may be slight but to the customer it knocks him cold."

This particular paper mill does all it can to discourage special runs, for the reason hinted by its owner. And yet, on the day of this conversation, the same owner exhibited two orders for special runs that he had accepted. Both came from the same salesman and both were for delivery in Canton, Ohio.

"That printer in Canton," said the owner of the mill, "knows his onions. He steers our salesman to the customer. The salesman explains the superhuman difficulty of re-runs, and then sells them the idea of ordering a supply enough for

several reprintings of the special job on hand. One of these orders we have to-day will make five or six carloads of paper. It's for a house organ. That supply will run them three years.

"That's the only condition on which this mill will accept an order for special runs. If the user knows enough about paper to lay in a stock, we're for the business heart and soul. If he expects to re-order in fifty-ream lots, we're not going to touch the business, for it only means grief next time."

The paper mill will not, of course, manufacture special runs and store the stock. Neither will the printer or the local paper merchant, because thus to stock paper ties up too much capital. Yet if the customer really wants a special paper he can be persuaded to lay in a supply for three years or five years of probable demand, thinking little of the slow turnover of capital because the distinctiveness of paper is the paramount question.

#### Storing the Supply

ONE warehouseman has told me that he makes it his own affair to call, twice a year, on every important printer and every local paper merchant in his city. In addition to these calls, twice a year he invites to a luncheon all the local salesmen of the paper mills. The message of the calls and the purpose of the luncheon are identical. He "sells the idea" of warehousing special runs of paper. And, if the reader might walk through his warehouse, as I have many times done, his eyes would bulge and he would almost shout the question: "Where does all this flat paper stock come from?"

This warehouseman merely explains to the trade and to the salesman that the proper function of a public warehouse is to level off the peaks of supply and demand. "The warehouse is the place to store what you don't want now but will some other time; the warehouse is like grandma's attic, but without the dust and minus the mice."

Twice a year this storage executive re-impresses the lesson of his warehouse. And, as a result, whenever anyone in that city talks about special paper for a printing job he is told by the printer and by the paper merchant and by the paper salesman that the only way to buy special paper with satisfaction is to lay in a big supply and store it with a warehouse.

By the time the customer has been told the same story three times, from three competitive sources, he believes it!

At one paper mill I was admiring a peculiar tint of paper that was that day running. The watermark and the emblem told its destination: an Akron rubber maker. This rubber factory maintains an imposing printing department of its own, with several linotype machines and a big battery of presses, but, even with this equipment, it is a patron of printers. The special run of paper, when it left the mill, was consigned to two warehouses, one in Akron and one in Cleveland; a total shipment of eighteen cars, estimated to meet the re-

quirements for that particular paper for three years. Those two warehouses will enjoy, for the better part of three years, a bit of real storing!

#### Another Source of Paper Storing

IN another way, too, storing of paper may originate for the warehouse.

Often the paper mills are overstocked. Sometimes they plan to discontinue a grade of paper. In both instances, through their salesmen and the brokers, they offer "mill-end" lots, sending their offers usually to those who have been users of the particular grade of paper. These grades are not necessarily special runs. More often they represent remainders or over-stocks.

In this manner a magazine publisher may have the chance to pick up a thousand tons of paper. One house organ has told me of buying enough to run them for twenty-seven issues, or more than two years, at a price enough below normal costs that the purchaser can well afford to lose interest on the money and cover insurance and warehousing for all those months. In one city, the publisher of the theater program bought paper for that purpose that will run him four or five years, but the price was attractive.

As with all over-stocks, the paper mill desires to clean up the remainders on hand. The price is made with a view to emptying the warehouse.

Out of this practice brokers in print

#### Patent and Trade-Mark Law and Public Warehousing

(Concluded from page 23)

of advertising usually is termed "blind advertising," and the advertiser publishes its name only after the curiosity of the public is sufficiently aroused.

After this advertising campaign had progressed for several weeks, and before the firm had publicly announced its name, a business man had printed business cards on which was the public notification "I am Stoturkicken." He distributed these cards everywhere, thereby gaining for himself considerable publicity and, incidentally, destroying the advertiser's plan.

The originator of the advertising scheme immediately instituted legal proceedings against this business man. However, the Court held the latter not liable in damages, and explained the law on this subject as follows:

"The relief in cases of unfair competition proceeds upon the theory that the word or phrase employed has by long use in connection with the goods or business of a particular trade come to be understood by the public as designating the goods or business of that particular trader. . . . Unless the word or phrase involved has become a parcel of the good will of his business in connection with the product of the proprietor, it is entirely clear that the use of the same word by another does not reveal an unfair competition."

paper often do a bit of speculating for their own account. A mill, for instance, wants to discontinue a line of paper. The remnants may total hundreds or even thousands of tons, and they may be in forty cities in addition to the mill stock—being partly in public warehouses and partly held by paper merchants. A broker will buy the entire lot "as is and where is" and trust to his skill as a salesman to dispose of each lot reasonably close to the city where it happens to lie. Each lot, however, must be removed into storage—one purpose of the price being to get rid of the goods.

Prices for paper do not fluctuate widely, but demand goes up and down with wide sweeps of the curve. A spot stock at a time when some customer needs work from his printer means that the seller does business; if he happens not to have what is wanted, the order goes to another. Printers cannot await mill shipments; their customers are always "in a hurry for the job." Out of this circumstance arises the chance for the broker who speculates in distress lots of paper or mill-end lots: he buys at a low price and then bides the day when some printer can use that particular grade of paper. By selling only a shade under normal list prices, he disposes of his stock, not so much because of the price as because he can make instant delivery.

#### A Commodity Worth Watching

PRINT paper with warehouses is one of those commodities that no one appears ever to cultivate. Much of it comes to the warehouses, but even a slight acquaintance with the paper mills and the paper merchants would indicate that every city is crying for relief from excessive storing costs and high handling expense. Local paper merchants and paper brokers are storing in poorly arranged buildings of the loft type; and printers, when called on to store paper, know little of warehouses other than the lofts of their paper merchant friends.

There is, too, much storing of special run paper to be developed, this sort of storing being for account of the printer's customer rather than the mill. Nor is this storage limited to the cities. Important printing houses are to be found in small places, both for book and magazine work and for job printing.

Quite a group of national magazines have their printing done at a small city in New Hampshire (Concord); the New York Central Railroad gets most of its work at a tiny place called Slingerlands; a small town in Tennessee turns out books by the million for New York "publishers"; a hundred printing houses have gone away from the cities into rural spots in order to obtain good light for their work and, more especially, to rid themselves of onerous wage costs.

Warehousing of print paper, therefore, is available to warehousemen in country and city alike. The unexpectedness of the business to be had is, possibly, one explanation that so little of it is done.



Read on this page  
how Ye Ed. celebrated  
the 4th of July & how  
we vacationed, &—

# TWO BITS

—what you should do  
in order that you may  
get your personal  
name in this publi'n.

Vol. IX. No. 2

*A Bit Here, A Bit There*

Gotham, August, 1928

THIS mo.'s (Aug.'s) *Two Bits* is being written about noon on the thus-far-hottest-day-of-the-yr. (1928) which Gotham has experienced & you should be told that the humidity is responsible if any spirit of levity creeps in. The office thermometer reads 94 & threatens to bust over the top any time now, & if this issue of *Two Bits* does not reach you it will be because the bulb busted & demolished our personal office. Ye Ed. can stand just so much on a hot day & we do not purpose to sit here & write while covered with quicksilver or whatever it is that is inside a thermometer.

One wonders how quicksilver would go, mixed with cracked ice & Gordon Water. Probably not so good as butter-milk like we get on conventions.

The thermometer now reads 95 & we are in sympathy with the traffic cop we passed at 5th Ave. & 42nd St. while we was out to lunch. He was standing there, perspiring, in the sun, trying to keep the pedestrians from under the wheels of passing Fords & automobiles, & we heard him mutter "The Go'darn bunch of boobs!" He even got his profanity mixed. That shows how hot the weather is in Gotham today.

What we are writing, which is of no a/c that we can think of, is having a psychological effect on the thermometer, which now reads 96 & is quivering like it intends to bust over the top pretty soon.

We used to think we would like to be a h.h.g. storager or a mdse. storager, but after suffering like we have been suffering in Gotham today, we would like to be a c.s. storager so that we could store ourself away, on a day like this, along with the liver, kidney & oleo-margarine. The office thermometer just took a mad leap up to 99. One more pt. & you will get no *Two Bits*.

Unless the supt. of the apartment house where we live gets the furnace fixed we will have no heat next winter.

We wrote the previous paragraph as a challenge to the thermometer. If it goes up to 100 & busts over the top & spatters us with quicksilver, we said, we will have an excuse for not writing *Two Bits* & we can put away our typewriter, grab the cane which Walter Sweeting, the Philadelphia storager, donated us with at one of the Mackinac Island conventions, & go swimming.

& what happened? We will tell you

what happened. The thermometer jumped to 106 without busting over. We thought sure a thermometer always busted over at 100, & we was surprised when this one did not. We have just examined it & find that it can go to 120 before it busts over. So what's the use? We could probably go on writing about the hot weather and force our thermometer up past the 120, or busting, mark, but by that time we would have the *Two Bits* page filled anyhow, so we might as well write leisurely on other topics & let the thermometer pursue its own course.

It is now down to 88. That shows what an influence intelligence is. You would scarce expect the editor of a publication like *Two Bits* to possess intelligence, either.

Nevertheless Ye Ed. does possess intelligence. We have about enough intelligence to amuse a small boy on the 4th of July. If you are skeptical as to that, we will tell you what we did on this past 4th of July at Pelham, N. Y., where we spent the day shooting off the firecrackers which had been purchased for our 5-yr-old nephew. Acting on an intelligent impulse, we darted into the kitchen pantry & emerged forth with a shredded wheat biscuit. We inserted a giant firecracker into the insides of the shredded wheat biscuit & lit the fuse & blew the shredded wheat biscuit into a shredless wheat biscuit. Probably nobody else anywhere in the nation thought of blowing up a shredded wheat biscuit on the 4th of July, & that should be convincing proof of our intelligence, on a/c it takes intelligence to think of doing something that nobody else has thought of.

Our 5-yr-old nephew had great sport watching us fire off the firecrackers which had been purchased for him to fire off. We let him hold the punk. It was a good lesson in generosity for him. When he grows up & learns to play golf he will not fight with the caddie when they both find a lost golfing ball simultaneously. He will let the caddie have the ball unless the caddie is littler than he is.

Having got this far in writing this mo.'s *Two Bits*, we are sort of stuck. We would not be stuck if storagers would contribute newsy items like we have been pleading for them to do. It makes us wonder if anybody ever reads this publi'n besides the typesetter, the composing room foreman, the proof-reader, & Ye Ed. If we have to offer prizes for elegant contributions, we will

do so if necessary, but to do that would be to reflect on the loyalty of the men engaged in the storagers' industry; it would be inferring that storagers generally are unwilling to do anything unless they are paid for it. We will not infer any such thing; we are not a traffic manager.

That last one was a hot one, all right. We bet it gets under the skins of a lot of storagers.

Well, we hope it does. We hope it makes a lot of them indignant. If we could get them indignant, they would write sarcastic letters to us. If they write sarcastic letters, we could publish them & thus fill up *Two Bits* each mo. without having to talk about thermometers, 5th Ave. traffic cops, firecrackers, golfing balls, & so on.

Ye Ed. was to French Lick, Ind., attending a convention this past mo. (July), & we can now announce that Pluto & Gordon waters do not mix readily & that some day we will have the scalp of the storager who advised us that they do.

From French Lick we entrained to Chicago on highly personal business, & thence to the 1000 islands, in the St. Lawrence River, where we vacationed at the camp of Ken Murray, the vaudeville actor. Ken's salary is only \$750 a day, so he made us pay for ½ the gas consumed by his motorboat when we went fishing & then he sold our personally-caught fish to a local marketer & got back the money for his own share of the gas. A chap like that would shoot off his own nephew's firecrackers on the 4th of July.

Well, we will conclude this mo.'s *Two Bits* by commenting that not only do storagers not send in contrib'n's but they do not keep their promises either, & some do not answer correspondence. After this we are going to expose such miscreants, & we will start in right now. U. C. Leckinger, the Rochester storager, was recently elected prexy of the N. Y. State Storagers' Assoc'n & he promised to send us his photo but he did not do so. Joe Cochran, the Minneapolis storager, was recently elected prexy of the Minnesota Storagers' Assoc'n & we wrote & asked Joe for his photo & he never even replied to us. Well, we will mention other instances of this kind from time to time, so if you want to get your name in *Two Bits*, don't keep your promises & don't answer our correspondence.

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# Dramatic Inter-City Hauling Job

*Performance of the Weicker Transfer & Storage Co. Upon  
Receiving a Midnight Order for a Hundred Trucks*

By WILLIS PARKER

THE jangling of the telephone aroused Erwin G. May, manager of the Colfax and Vine depository of the Weicker Transfer & Storage Co., Denver, from his slumbers at 2 o'clock on a recent morning. The party on the wire was an officer of the Alexander Industries, parent company of the Alexander Aircraft Co. and the Alexander Film Co., whose factories were located in Englewood, a suburb of Denver. Because of a fire in one of the factory buildings and the attendant loss of eleven lives and the threat of the district attorney to close down both plants by injunction proceedings until an investigation took place, the officers and directors determined to pick up and move bodily their entire organization to Colorado Springs, where their new factories were under construction and to which they would move a few months later anyway.

"Can you furnish us with one hundred motor trucks immediately?" was the query.

Mr. May rubbed his eyes, sat up a bit straighter in bed and yelled "What?" in the transmitter. One hundred motor trucks P.D.Q. when the company's fleet consisted of about 40 altogether, and the moving season was on! Not only was it impossible but impractical.

However, Mr. May jumped into his clothes, then into his automobile, and sped to the company's factory to see what it was all about. A quick check of the situation and a survey of the entire establishment indicated that while the materials to be transported would make more than 100 truckloads it was impractical to send out that number of trucks at one time, for it would be impossible to load them all simultaneously. But he promised to furnish the trucks as fast as the manufacturing company required them.

Mr. May called A. E. Gallagher, superintendent and dispatcher of the truck fleet, at 2:30 A. M. to assist him in making the survey and in determining what type of vehicles would be the most practical. Together they hurried back to the barns, arriving there at 3:30; routed out truck drivers, and sent two truck loads of packing boxes to the factory. At 6:30 o'clock goods were being loaded into the trucks and the long trek to Colorado Springs—76 miles away—began.

Further to illustrate the magnitude of the task we must remember that the Alexander Aircraft Co. is the second largest producer of light commercial airplanes in the United States. More than 100 men are employed in the manufacture of planes and the Denver plant was turning out between twelve and fifteen airplanes a week. The film company is the largest distributors of advertising playlets in the country and has between 9,000 and 10,000 contracts which must be supplied each week. Millions of playlets were stocked in the library and hundreds of films are sent out daily. Their contracts are such that any interference with the regular routine would cost hundreds of dollars and the loss of many of the advertising contracts.

The aircraft division was behind by a hundred or more in the delivery of planes on which deposits already had been made. The new factory buildings in Colorado Springs were far from completed, though 150 men were working night and day to finish them in the shortest possible time.

Moving had to be done in such a manner as not to interfere more than necessary with the routine work of the film department and the regular production of airplanes.

Partly completed planes, carloads of lumber and metal tubing, three truck loads of paints, lacquers and "dope"—highly explosive—thousands of films, both finished and unfinished, records, office equipment, tons of heavy machinery for metal and wood working—all these were included in the goods to be moved. Besides that there was the job of moving the household goods and effects of more than 300 employees.

When the company decided to move rather than permit the plant to be shut down for an indefinite period by 8 o'clock that morning, officers, foremen and employees were summoned by telephone and messenger to come at once to the plant. By 2:30 o'clock the place was a hive of activity as the employees began the task of packing books, records, films; loosening the fastenings of machinery, and otherwise getting ready for the trucks.

Eighteen loads were taken the first day—that was all that the company had ready, thus proving that it was impossible for them economically to use 100 trucks, even though their enthusiasm

and the loyalty of the employees stimulated their imagination regarding the amount of work they could accomplish.

Ten trucks were on the way by 10 o'clock. Eight more left after dinner. Twenty-four trucks were used the second day. And there was no interference with the company's regular transfer work nor with the moving contracts that came up daily, which is considered a remarkable feat in truck-dispatching by Mr. Gallagher, who had charge of this part of the work. Mr. May stayed at the factory for five days, checking the loads and determining what equipment would be needed next and how soon it would be required.

Weather conditions made the job all the harder, for on the second day a storm broke, with continuous downpours. Some of the trucks were mired down in the factory yards and had to be pulled out to the road by other vehicles. At Palmer Lake, on top of the divide, the storm reached blizzard proportions. Here detours were necessary because of the construction of a new highway. The temporary roads were bad and a tractor was stationed there to pull out any trucks that mired down—and there were many that suffered this fate. Some of the trucks used on the job were equipped with winches. They were loaded in such a manner as would permit use of the winches with full loads, and where trucks mired down at other places along the road besides at Palmer Lake following winch-trucks pulled them out. The dispatching system was such that Weicker vehicles were on the roads, coming and going, at all hours, so that a returning truck could stop and assist a loaded truck in trouble. Robert Work patrolled the road for two days in a roadster to summon aid whenever necessary.

It took, on an average, 16 hours to make the round trip. Some trucks were out 20 hours. In many instances the drivers left their machines at the factory on their return, reported by telephone, then went home to sleep while relief drivers and assistants took the vehicles for the next loads.

Servicing was a problem, for the factory was six miles from the garage. So mechanics went to the plant every night to inspect trucks that stayed there, while the shop crew handled all that could be



brought back to the garage, where the next morning they either were reassigned to the big job or were sent on other work until needed by the Alexander company.

Each driver was given about \$10 for expense money and arrangements were made with service stations along the road to supply gas and oil as needed and send the bills to the company.

One unfavorable feature was that all the material did not go to the same place. Because the factory buildings were uncompleted, temporary housing for the various departments was obtained in structures scattered all over Colorado Springs. One department was located in a huge barn; another was in an abandoned warehouse; a third went into a garage building; a fourth set up house-keeping in a foundry building. Some of these places were six miles from the others. The administration offices were dumped into a rambling church.

#### "Danger"

One of the spectacular bits of the work was that of moving the paint and "dope." The "dope" is a form of lacquer used on the wings and fuselages of the planes and is highly explosive. It was an explosion of a small amount of this material that caused the fire and loss of life in the "dope" building. Public sentiment and psychology made it necessary to adopt unusual and unnecessary precautions in transporting three big truckloads of the stuff to Colorado Springs. Each truck carried two red flags on the front and two on the rear and large signs with the word "DANGER" on them. Each truck was equipped with fire extinguishers, and the company's chemist followed in a touring car with three extra fire extinguishers. The trucks followed each other at distances of a quarter of a mile.

More than a hundred loads of material were hauled in less than ten days, and so well was the work done that all

departments were functioning in part within twenty-four hours from the time they received the order to move.

For the hundred loads that were transported in less than two weeks, Weicker equipment was used on all but fifteen. In no case was there a breakdown on the road necessitating a truck being towed in. All sorts of equipment was used, but nothing under 3½ tons. Five-ton trucks predominated.

For three weeks the job was under way with a gradually diminishing volume of merchandise going out each day. About 150 truck loads of goods were handled in the move.

"I consider our work all the more remarkable," explained Mr. May, "when we consider that we were totally unprepared for the order, that we started from a 'cold fire' and had everything coming at once. More than 300 packing boxes were tied up, yet we were able to supply boxes to our Denver moving patrons. But I'm glad it's over."

## "Silica Gel"—A New Process of Commercial Refrigeration

By R. A. SULLIVAN

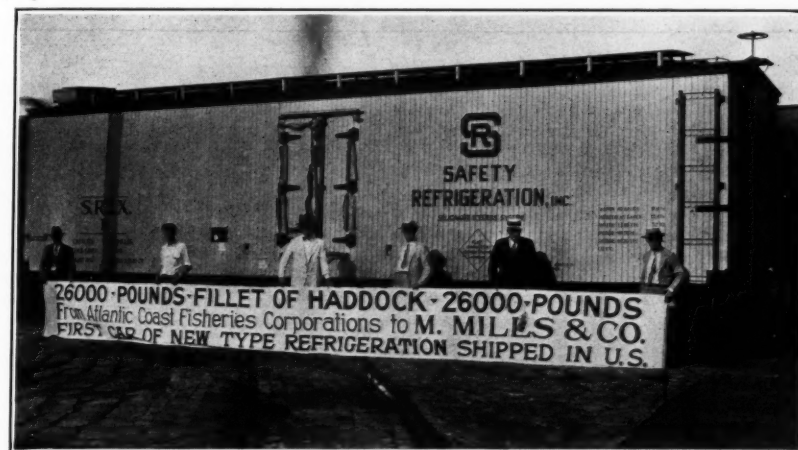
THE recent arrival of the first iceless refrigerator car to reach New Orleans gave the local cold storage industry an insight into a possible future development of its business. The car brought 26,000 pounds of fillet of haddock—preserved by "silica gel," a trade product—from a Connecticut fishery, and the fish went into the keeping of the New Orleans Cold Storage & Warehouse Co., Ltd., pending disposal of them.

"Silica gel" is described as a hard, glassy substance with the appearance of a clear quartz sand and is said to be chemically inert toward all matter. The process of manufacture is carefully controlled so that the finished product is extremely porous. The presence of minute pores gives "silica gel" the ability to absorb large quantities of vapors. The cost is said to be small and an advantage pointed to is that temperatures may be regulated.

The Copeland Silica Gel Corp., recently formed to manufacture and market the new process of commercial refrigeration, is under direct control of the Copeland Products, Inc., Detroit, manufacturers of electrical refrigeration.

The refrigeration machine made by the Detroit firm is essentially of three parts—the adsorber, containing the "silica gel," the evaporator, and the condenser. It may be described as being identical to a compression type machine with a compressor replaced by the adsorber, the adsorption of the refrigerant vapor by the "silica gel" corresponding to the suction stroke of the compressor, and the activation of the "silica gel" to the discharge stroke. The "silica gel" system does not require power to be generated for its operation, the necessary heat being applied to the "silica gel."

The process by which the apparatus



First "iceless refrigeration" car, which carried to New Orleans halibut preserved by "silica gel," a new trade product on the market

operates is explained as follows:

When the "silica gel" in the adsorber has been activated it will adsorb vapor from the refrigerant in the evaporator, causing the temperature of the latter to be lowered by the evaporation of the refrigerant. Evaporation of any refrigerant in the condenser, which is explained later, is prevented by a float valve and a check valve.

When the "silica gel" has become saturated with the refrigerant vapor, the vapor is driven out by the heat from a gas burner, passing through a pipe to the condenser, where it is liquified and returned to the evaporator by the float valve. When activation of the "silica gel" has been completed, the source of heat is removed, and when it has cooled sufficiently the adsorption begins automatically. Due to the fact that the heating period of the "silica gel" is much shorter than the adsorption period, the

adsorber is divided into two sections, and, by heating these sections alternately, continuous refrigeration is accomplished. The "silica" is constructed in tubes of small diameter in order to obtain a quick heating and cooling.

The evaporator includes a series of parallel pipes running the length of the car and connecting with a transverse heater, containing liquid sulphur dioxide, which is suspended close to the ceiling. A series of small troughs is suspended under these pipes which carry off condensation from the pipes, thus keeping the lading dry.

The condenser, which is of the air cooled type, is composed of a series of pipes attached to the outside roof of the car. It is protected from the rays of the sun by a covering which permits the air to circulate freely over the condenser.

The adsorber, which is divided into two sections, is placed at one end of the

car, outside the insulated car body. The tubes of "silica gel," which stand vertically, are placed in insulated fireproof casings with ventilators at the top, so that the air, or products of combustion, from the gas burners placed under the tubes may move upward rapidly. The fuel for the gas burners is kept under the car, and is fed to them through a pressure regulator. This system is based on the Pintsh compressed gas system for lighting passenger coaches which has been in use forty years.

The heating period of the "silica gel" is about 30 minutes, with approximately 2½ hours between each heating period. Therefore each adsorber section is heated every 5 hours and is adsorbing sulphur dioxide vapor and producing refrigeration 4½ hours.

The temperature of the car is controlled by a thermostat with its temperature-responsive bulb within the car. The thermostat is set at whatever temperature is desired, and when the tem-

perature of the car drops to this point the operation of the refrigerator machine is automatically stopped. When the temperature rises above that for which the thermostat has been set, the apparatus is again set in operation, in this manner keeping the temperature of the car at any desired point. Thus if 20 degrees is desired for a shipment of frozen fish, or 40 degrees for cantaloup, all that is required is a simple adjustment guided by a pointer on a temperature scale.

In comparison with an ordinary refrigerator car, the "silica gel" refrigerator permits an increase in lading space of 10 per cent. The space necessary for the adsorber is the same as that needed by an ice bunker only at one end of the car, leaving the space at the other end of the car for lading. The height of the load may be increased because cooling is not dependent on longitudinal circulation of the air, as the evaporator is placed at the top of the car, whereas in

an iced refrigerator car no control of temperature is possible except by adding salt to the ice.

In an iced car the center of the car is always higher in temperature, because of the end bunkers, but in the "silica gel" car tests have shown that the temperature variation throughout the car is not more than two or three degrees.

Under summer conditions the fuel tanks with which the new car is equipped need not be filled for seven or eight days, and with a moderate outside temperature they will maintain sufficient fuel without filling for ten or twelve days. The car can be precooled in from eight to ten hours.

The indications for the present are that the "silica gel" type of refrigeration may be limited to the shipment of perishable commodities and that later developments will include this form of foodstuffs protection to cold storage warehouses, and still later to meat markets, groceries and finally home use.

## There Are Smiles and Shadows in Household Goods Warehousing

By SIDNEY J. BEER,

Los Angeles Warehouse Co., Los Angeles

IN the spring of the year and in the fall of the year we clean house. At the end of each of these seasons we comb the warehouses, brush away the cobwebs, if any, shine up the brass and nickel plate, put a dash of paint here and a dash of paint there. We wash our faces, clean our hands, doll up with new clothes, and look as nice as can be.

In connection with this process of house cleaning comes our auction sale, in which we put up for sale, at public auction to the highest bidder, such items as unclaimed freight, overages found in the warehouses, merchandise, household goods and personal effects, which have been abandoned by the owners, together with certain items which have been in storage for the previous two years and on which the charges have not been paid during that period.

With regard to this latter, and particularly to lots of household goods and personal effects, there are a number of human interest stories that may well be told. It may be well at this point to say that we go to a great deal of trouble to locate and to notify the owners in advance of the sale.

We recall a lot of two large trunks. It was the morning of the sale, and into the auction room rushed an irate lady. She was large and powerful. Above the din she shouted, "What have you people done with my dead husband's clothes?" Then she went for the auctioneer. His glasses were knocked off and for the moment the situation was serious. We gathered around, spoke kindly, and pacified her. Fortunately the trunks had not been sold. They were removed to the delivery platform and, on request, were opened. She made a brief examination and the remark, "My man, John—I always knew him to be a dear!" Then,

having been chasing the rainbow and having found the pot of gold, she hurriedly left the building.

Then we had the pretty young girl who came to Los Angeles in advance of her husband. He had shipped a carload of furniture from the East, consigned in her name. Before he got here she had run off to Honolulu with another man. We held the goods for two years, the charges, including freight, amounting to about \$400. A few days prior to our sale he turned up, but could not prove ownership to the goods. We suggested that he could buy the goods at auction. In the meanwhile the girl had received our notice of sale and had cabled for a certain party to represent her at the sale. The bidding settled down between the "certain party" and the husband and finally the goods were sold to her representative. Some months later she came back to Los Angeles, a sadder but wiser girl. The man who had represented her at the sale had double-crossed her. He had found out the value of the goods and now claimed that he had bought them for his own account. The warehouse had sold the goods to this man, not knowing that he was supposed to be her representative. She had tried to double-cross her husband and, in turn, had been swindled by her friend and agent. The biter had been bitten.

On another occasion we found a barrel of goods which had been here for several years, unclaimed. Under the law all packages must be sold without being opened for inspection. This barrel was sold for a couple of dollars. A few days later the ancient Hebrew who had made the purchase returned to the warehouse. He was visibly worried. "I am an honest man," he said, "and

that barrel is full of silverware." On investigating we found the value to be about \$1,000. There was nothing to trace ownership; shipment had been made by a private party in an eastern city, to be called for at Los Angeles. No claim was ever made. So the lucky purchaser was told to keep the contents.

Not so fortunate was another man who bought a fine wardrobe trunk for \$60, only to find it filled with penny coat hangers, used by the tailoring trade and worth only a few dollars.

Then there is the lady who has several trunks of wedding presents in storage for the bells that have not yet rung. Each year these are put up for sale for charges, only to be withdrawn at the last moment. She still hopes for the return of her man, who sailed away many a year gone by and has never come back. Here is a sad story, but we want to be kind, so the wedding gifts are still in storage until some day, somehow—who can tell?

The gold rush of the days of '49 were nothing compared to the Los Angeles boom of 1922. They came singly and in numbers from all parts of the country, from all corners of the earth. They brought articles of every description, and when the sun went down and the last adventurer had departed there were a whole lot of things to be disposed of—poultry wire, hen roosts, chicken nests, fence posts—all of which had seen better days on a middle western farm. Sadirons, gas jet burners, etc., used by the cliff dwellers of New York City; wax figures, trees in tubs, plants in pots, bath tubs, bottles of water, souvenirs and keepsakes of every kind, useless for the most part and of no value to the owners, but all being sacred with the memories of previous association.

# Keeping Up with the Developments in the Motor Truck Field

FOR the busy executive of a warehousing business who is keen to keep abreast of the times there are several important new things to think about in the field of motor hauling. Developments are following one another at a rapid pace, and all have a distinct bearing on the cost and opportunities of handling the hauling requirements of any warehouse business, regardless of its size. There are many advancements being made on the manufacturers' side of the industry, and some of these will be discussed in this department, which is conducted

By PHILIP L. SNIFFIN

## THIS MONTH A Truck Drivers' Manual

**D**RIVING, to the man at the wheel of a motor vehicle, resolves itself into a series of movements which to him become mechanical. One might say that driving to him was a habit—that the operations of accelerating and gear shifting and braking at the proper time were accompanied by little actual thinking. Practice at the wheel and, above all, adherence to every rule promoting safety, have made him a good driver. It is characteristic of the good driver that he is careful. He drives slowly compared with the beginner; he starts and stops gradually.

All of the things which the experienced driver does are good for him, good for the others users of the road, and good for the mechanism of the truck.

Driving up and down grades is, to the experienced driver, no more trouble than driving along a level stretch. There is no need to burn brake lining unnecessarily when going down grade. As a matter of fact many grades do not require the use of brakes of all, though most drivers use them.

### *A Truck Is Like a Human Being*

**P**ROBABLY the best explanation that can be given as to the care of a truck would be a comparison with our own daily lives.

We all know—or should know—that our personal health is largely a matter of resistance. Systematic eating, enough rest, and the right kind of food, keep us in good condition. A motor truck needs systematic lubrication oil just as much as we need the things just mentioned.

We all take extra precautions against seasonal conditions. And a motor truck needs the same kind of care—a sort of readjustment and general tuning up to meet the different climatic conditions.

Most of us are pretty careful not to overwork ourselves or to attempt to carry more work than nature has provided us with facilities for shouldering. We need to keep within our bounds of capacity—and so does a motor truck. We can keep on overloading a motor truck just the same as we can keep on overloading ourselves with work—but sooner or later there's going to be a heavy doctor's bill, to say nothing of a

There are two forms of resistance which can be put into use to retard the motion of a truck: the brakes and the engine (when it is not firing). The greater the engine speed when the engine is not firing, the greater the resistance it offers, so that if the gears are in second speed the car will roll down a hill more slowly than in high. In first speed the speed will be slower than in second. The brakes should not be used on long grades unless the truck travels too fast in first speed; turn the ignition switch to "off" position and hold your foot on the brake pedal, but do not apply the brakes. You will find you have the truck under complete control and that the brakes will not do one-tenth the work they formerly were called on to do.

These, of course, are only a few ways in which a driver can intelligently care for his truck and reduce its operating cost. Let us first get the proper viewpoint on the care of the mechanical parts of the truck and then review some of those driving points that mean so much in reducing cost.

**M**R. SNIFFIN, writer of the accompanying article, says regarding it:

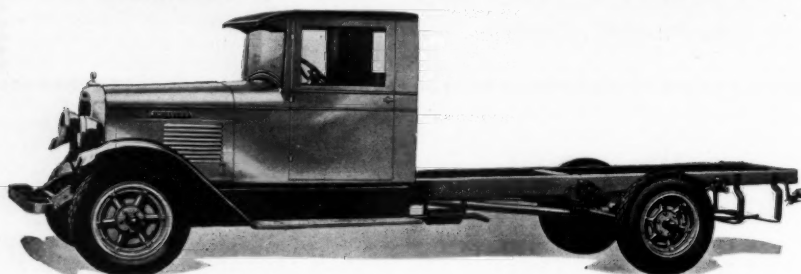
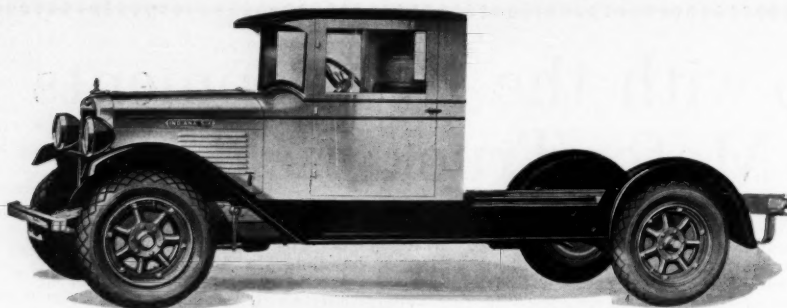
"There have been repeated requests for a pamphlet which would give the important points of truck use from the viewpoint of the driver and which would apply equally to all makes of vehicles. To my knowledge there is nothing of this kind published at the present time.

"Driver cooperation and education have become important parts of delivery economy in the warehousing field, and this article contains, in concise form, the important points every driver should know about the operation of a motor truck. I suggest that many of these make ideal topics for discussion at meetings and that it would be well to have typewritten or printed copies of the article prepared for drivers."

protracted sojourn to the repair shop. And if there comes a time when an emergency demands that we take on more work, we know—or should know—that we have to take care of ourselves accordingly if we are to expect the wheels to keep on turning.

Then again there's that element of good old common sense plus a certain knowledge of "what makes the wheels go around." Now, the majority of people have at least a smattering of knowledge on the subject of anatomy and medicine. If we know the preventatives of illness and apply them conscientiously, we may avoid serious complications. And the same thing holds true if we know what to do when symptoms of illness appear. When we have a slight cold we prescribe a corrective for ourselves. But when something of a serious nature develops we know that it is far better to call in a physician or a specialist. The point is, however, and this applies to motor trucks, too—that we must know something about the physical make-up in order to be able to recognize symptoms, to know whether they represent small or





Two new models announced by the Indiana Truck Corp. Above, model 200, "The Ranger," a 1-ton, 6-cylinder vehicle. Below, model 400, the 2-ton, 6-cylinder "Admiral"

serious troubles, and to take care of them if they are small ones.

Doesn't it seem, therefore, that every man who is entrusted with the care of a motor truck, representing a large financial investment, should learn at least the fundamentals of its operation?

#### Truck Design and Engineering

IT is impossible in a brief manual to discuss truck design. A careful study of your truck's instruction book will help to clear up many points which may be vague to you. For those who desire to make a complete study of this, we suggest a reading of "The Motor Truck—Applied Mechanics for Owners and Drivers," by Edward La Schum, published by the U. P. C. Book Company, 239 W. 39th Street, New York.

Study of a book such as this is of great value to a driver. It trains him to think of the various parts and the care to which they are entitled. Here, for example, are eight questions which are typical of those which a driver should be able to answer and which can be easily understood after a brief study of truck mechanics:

1. What is the purpose of a radiator and water? How does the water do its work? Why is it necessary to keep the radiator full?
2. What different kinds of oil are necessary to good lubrication of a truck? Why does the cylinder require a different kind than the differential?
3. What change takes place in the cylinder when you advance the spark lever? Should you advance or retard the spark when the engine is working up to its limits, and why?
4. How many times does the piston go up and down in the cylinder every time an explosion takes place? What is the action of the gasoline gas in the cyl-

inder from the time one explosion takes place until the next one occurs? Why are the carburetor and intake manifold waterjacketed, and what advantage is gained by such construction?

5. What happens to the cylinder when the motor is run without water? Oil?

6. What happens when you are coasting down hill and suddenly let in the clutch?

7. Why is it not good to put on the brakes suddenly? If you do, what happens to the brake shoes?

8. What does running in car tracks do to the tires?

The questions are, of course, very elementary, but when answered satisfactorily indicate that the driver understands the principles of the internal combustion engine, and the why and wherefore of engine lubrication and cooling.

In other words they enable him to picture to himself the reason why the wheels go round. The correct answers to these questions indicate that the driver can make a mental picture of just what happens in the mechanism of the car as he goes through the various routine motions of an average day's work. While sitting on his seat driving the car his mind can look through the walls of the engine and visualize the pistons moving up and down and just what occurs during each of the four strokes of the engine. He can see the pistons reciprocating, and the connecting rods moving up and down, and see the crankshaft with the flywheel at the rear end revolving.

When he understands these simple motions he knows how the reciprocating motion of the pistons is transformed into the revolving motion of the crankshaft through the medium of the crank arm and the connecting rod. Tracing the power of the engine through the clutch, then the gear-set, and finally to

the rear axle, he has a good mental picture of just what makes the car run.

They also bring home the necessity of proper lubrication and proper engine cooling. Without sufficient water the engine overheats, thereby tending to neutralize the effect of the lubricating oil, and results in bearing wear and high gasoline and oil consumption per mile run. The proper answers to the questions regarding the advancement or retarding of the spark lever when the engine is working up to its limit insures that the driver will get the most out of his engine and probably reduce the gasoline consumption considerably.

#### Driving Points

HERE are eight points which most experienced drivers agree represent good driving methods:

1. Use all gears in starting. Slip the clutch only when necessary to make a smooth start, as this often causes burned-out or glazed clutch disks.

2. Shift gears to lower speed when driving slowly in traffic. When traveling through sand, use the highest gear possible and keep the truck rolling, but do not permit the engine to knock.

3. Do not wait until the engine knocks before shifting to a lower speed. When climbing a grade, shift to a lower gear as soon as the engine gives the slightest indication of laboring.

4. When descending steep hills use the engine as a brake. Avoid heating of brakes, on long descents, by applying hand and foot brakes alternately.

5. If the accelerator is used, set the throttle lever to give just enough opening to prevent stalling motor if the foot is moved from the pedal for braking.

6. Remember that spinning wheel does not give traction. In attempting to drive in mud and slippery spots, wheels should revolve slowly, as this increases traction. Apply stones or planks around rear wheels to obtain traction in getting out of holes.

7. If engine becomes overheated, turn it off immediately or serious damage may result. Allow it to cool and add warm (not cold) water before proceeding. Never pour cold water directly into a hot motor, as this often causes the cylinder walls to crack or warp.

8. Avoid emergency stops as far as possible. Anticipate situations far enough in advance to permit gradual stopping.

#### How to Prevent Skidding

WHEN a truck skids the tendency is for an inexperienced driver to apply the brakes and turn the front wheels in the opposite direction to that in which he is skidding. This should not be done, as it only accentuates the skidding and the truck may be ditched or skid into another vehicle or the curbing.

When the machine starts to skid, turn the steering wheels in the direction in which the truck is skidding and partially close the throttle, but not entirely or it will have the same effect as applying the brakes. When the truck straightens out the power may be again applied gradually and the machine brought back to the center of the road.

When skidding on narrow roads it is best to apply the power and steer for the center of the road. This will aggravate the skid for a moment but brings the machine around at an angle with the front wheels in the center of the road. The momentum of the truck will cause the rear wheels to climb back into the road again.

#### Manipulating Truck at Curb

THE proper way to park a truck in a narrow space at the curb is to turn into the space driving forward; then out to get the truck at an angle to the curb; and back in, turning the wheels as a bit of practice will show best.

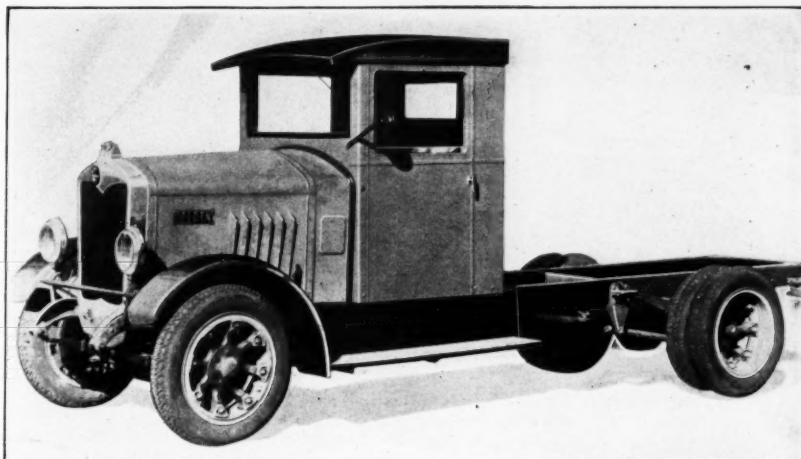
In manipulating the truck the front wheels should never be turned by moving the steering wheel when the vehicle is not in motion. This puts undue strain on the steering apparatus and will cause too much play in the steering gear. If it becomes necessary to turn the front wheels of a truck while it is standing still, they should be moved by forcing not only the steering wheel, but also by pulling the front wheels around.

#### Balancing the Load and Wear

IT is important to take care in loading to see that the load is evenly balanced on the body. It is often a matter of habit to place the load in one particular position every time, which, of course, causes premature wear on the chassis at that point. It is always best to place the greater part of the load toward the front of the body.

Perhaps you have noticed that most trouble with springs, axles, wheels, tires, etc., is on the right hand side of the truck. This is because most roads slope on the sides, and, as it is necessary to keep to the right in driving, the right wheels are caused to ride on a lower plane than the left wheels.

It is well, for this reason, to take advantage of the full road in open stretches where it can be done with just consideration for others, and to give particular attention to adjustments and general care of the right-hand side of the chassis.



This new 2-ton, 6-cylinder model of the Selden Truck Corp. is capable of handling a 50 per cent overloading, or 5,000 pounds maximum

#### Lubrication

A BETTER understanding of the importance of lubrication can be gained by considering that even the finest steel, polished up to a mirror finish, if placed under a strong microscope will show thousands of jagged points like the teeth of a saw. When two pieces are rubbed together these teeth lock with each other; they are ripped out, twisted, and others are pulled into their places.

Something must be interposed between the surfaces to keep them from tearing each other to rack and ruin.

And that something is oil.

Oil not only fills up the thousands of minute depressions, but it actually interposes a film between the two surfaces. The moving parts of an oiled machine do not rub against each other, but against sides of a thin film of oil which keeps the jagged teeth from coming in contact with one another.

The molecules which compose oil are perfect globes. So, as a lubricant, oil not only has the advantage of being liquid and, therefore, flowing freely, but it practically places oil bearings between all moving parts and reduces friction.

Oil, therefore, actually wears out, and it is for this reason that the crankcase and transmission must be drained, cleaned and refilled at regular intervals.

To mix good oil with old oil is just about as effective as to take four dead or partly dead dry-cell batteries and hook up one good one in the center.

When the truck is operating full time, it is best to drain the crankcase regularly once a week. Wash out with kerosene or a hose, and refill.

#### Care of Tires

AN item of no small importance in the total cost of operating motor trucks is that of tires. The life of tires can be greatly prolonged and their part of the operating expense materially reduced if they are given proper treatment in everyday use. The following ten points are especially important:

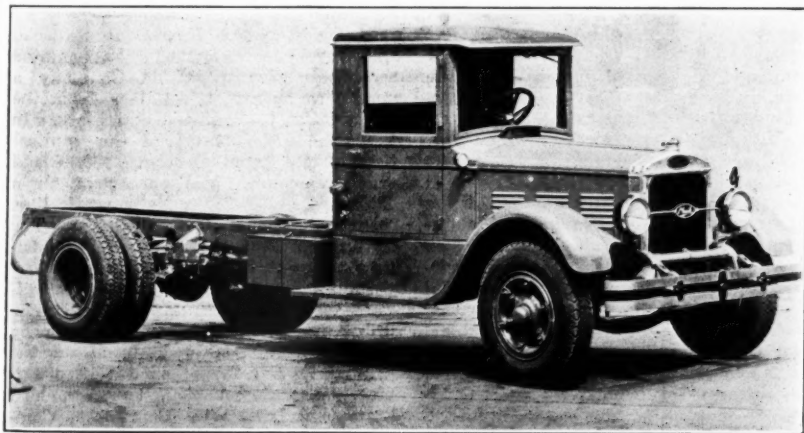
1. Don't overload. Overloading stresses the tires beyond their elastic limit, destroying the life of the rubber and the durability and cushioning quality of tires.

2. Don't run in car tracks, as this cuts the tires on road bumps and causes overheating.

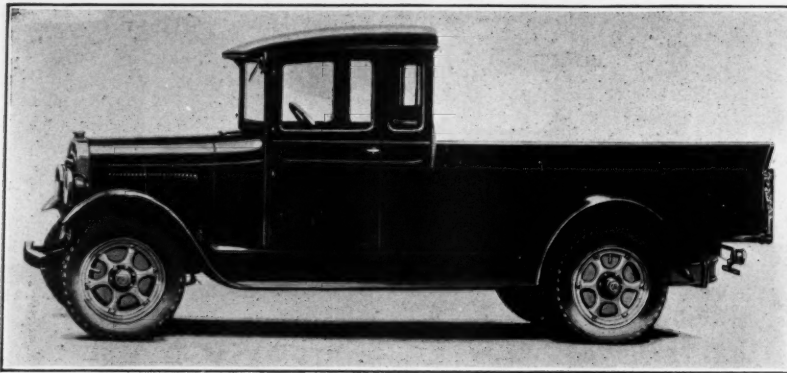
3. Don't run in car trucks, as this cuts the tires by centering the pressure at one point instead of evenly over the tread. The edges of the rails, particularly the guard flanges of street car tracks, are very sharp, and running rubber tires over them is much like running them over the edges of steel knives.

4. Don't spin the wheels or permit them to run out of line on account of a bent axle. Many drivers speed up their engines under the erroneous impression that this will increase traction. The slower a wheel turns, the better traction it has. The more gently it is turned, the less liable it is to slip.

5. Avoid skidding. In applying the brakes, the wheels should not slide. Not only does sliding the wheels damage the tires, but it reduces the braking effect. Quicker action is secured when the wheels barely turn and the abrasion on the tires is least. Don't turn corners at



Special highway carrier, model BJ—a 6-cylinder of 3 to 4 tons capacity—offered by Mack Trucks, Inc. Ample road clearance is one feature



*This is the Graham Brothers new 6-cylinder, 1 1/4-ton, four-speed express announced in the July issue of Distribution and Warehousing*

such a speed that the wheels skid, and don't bring truck to a stop by sliding the wheels.

6. Slivers on solid tires should be promptly cut off as soon as they appear. If the sliver is left on, it will contribute nothing to the strength of the tire, but will continue to flap and the tear will extend until half the tread is torn loose.

7. Most anti-skid devices are very hard on tires. Don't use them unless it is absolutely necessary, and then be sure they are correctly applied.

8. Bad roads are obviously injurious to tires. On a road with a rough surface the tire rests successively on irregularities which have the effect of overloading that particular portion of the tire.

9. To avoid unnecessary strain on pneumatics, or flat spots on the solids, lift the truck weight from the tires by raising on jacks when the truck is to be idle any considerable length of time.

10. With pneumatic tires it is important to know your inflation pressure. Proper inflation pressure is as necessary as proper loads and speed.

#### New Models

**FEDERAL MOTOR TRUCK CO.,** Detroit: A new 2-2 1/2-ton is offered in both 4-cylinder and 6-cylinder types, one feature being Lockheed internal hydraulic 4-wheel brakes. Following Federal practice, the frame is of the straight type, facilitating the mounting of special bodies. A number of tire and rear axle ratio options are available. Standard tire equipment is pneumatic all around, but solids and dual pneumatics also are offered. Standard wheelbase is 148 inches, with a loading space of 119 inches back of the cab. Optional wheelbases of 160, 173 and 185 inches also are available, as is a tractor edition with a 137-inch wheelbase. Body allowance is 900 pounds.

**Indiana Truck Corporation,** Marion, Ind.: A 1-ton, 6-cylinder, model 200, the Ranger, and a 2-ton, 6-cylinder, the Admiral, are announced. The Ranger has mechanical 4-wheel brakes of the internal-expanding type as standard equipment. The wheelbase length is 137 inches. The Admiral has mechanical 4-wheel brakes and 4-speed transmission. The wheels are metal and equipped with

pneumatic tires 32 x 6 inches in front and 32 x 8 inches behind. It is offered in two wheelbases—standard 157 inches and long 175 inches.

**International Harvester Co.,** Chicago: This company has brought out a new 1-ton truck with a 2-speed rear axle which, in combination with the 3-speed transmission mounted with the engine in a unit power plant, gives six forward speeds and two reverse. The engine is a 2-cylinder, the wheelbase is 124 inches, and pneumatic tires are regular equipment.

**Mack Trucks, Inc.,** New York: The latest production is model BJ, a 6-cylinder of 3 to 4 tons capacity—a special highway carrier "recommended to those requiring a fast, safe vehicle having ample road clearance, for the delivery of merchandise over routes regardless of road conditions. It is equipped with 36 x 8 high-pressure pneumatic tires all around, rears dual, but is primarily a truck built to accommodate bodies mounted above the rear wheels. Wheelbases are 168 1/2, 192 1/2 and 218 inches.

**Republic Motor Truck Co., Inc.,** Alma, Mich.: A 6-cylinder, 4-wheel brake, 3-tons is the latest unit. It is designated according to its wheelbases—179 1/4 inches, model 65, and 200 1/4 inches, model 69. Service braking is through 4-wheel mechanically operated brakes. A feature is the low frame height of 30 inches. The wheels are Van metal spoke type equipped with 34 x 7-inch pneumatics in front and 34 x 7 dual pneumatics in the rear.

**Selden Truck Corporation,** Rochester, N. Y.: A new 2-ton model is capable of handling a 50 per cent overload, or 5000 pounds maximum. It is powered with a Continental C-15 engine with a 7-bearing crankshaft having six cylinders. Lockheed hydraulic brakes are on the front and rear wheels, with an emergency brake on the drive shaft. Standard wheel and tire equipment is the metal spoke type with 30 x 5 pneumatic duals rear, with 32 x 6 tires optional at small extra cost. This model, 37-C, is in three wheelbases—151 inches, providing a 10-foot loading space; 163 inches, for a 12-foot loading space, and 181 inches, for a 14-foot loading space. The chassis weight is 4600 pounds and the body allowance is

950 pounds. While the recommended speed is 25 to 30 m.p.h., a maximum of 50 can be obtained.

**Stewart Motor Corporation,** Buffalo, N. Y.: A new 3-ton is offered—a fast heavy-duty model equipped with a 6-cylinder engine, 4-speed transmission and 4-wheel brakes. It is furnished in a 165-inch standard wheelbase, but is available also in special lengths of 176, 190 and 220 inches. The price is \$3,490. Solid tires—36 x 5 inches front and 36 x 10 inches rear—are standard, while 34 x 7-inch pneumatics all around, duals rear, may be obtained at extra cost.

#### Would Require California Motorists to Carry Compensation Insurance

**A** STATE law is contemplated in California that is intended primarily to compel all automobile owners to carry compensation insurance for protection of accident victims—damage to other car, hospital bills, physicians' fees, and salary during absence from work. Under this plan motorists would be required to take out compensation insurance before receiving licenses for either operation or registration.

A bill to this end is being prepared, for introduction at the next session of the Legislature, by Frank G. Snook, chief of the State division of motor vehicles, and Louis La Place, head of the division's statistics department.

"Its adoption," according to Mr. La Place, would mean that persons injured in accidents, and their families, would be fully protected while the injured one, or ones, recover from their injuries. Compensation would start immediately, whereas under the liability plan in many cases great hardship is endured before payment is made.

"I believe it can be worked out so that the rate charged for this insurance will be extremely low. Beyond this, many old and unsafe automobiles now cumbering the highways, would be eliminated, because compensation insurance companies would refuse to accept as risks owners of such cars."

#### Minnesota Rulings

Holding that Brainerd, Minn., was discriminated against under the Fargo rate decision, the Minnesota Railroad and Warehouse Commission has granted the Bollig Transportation Company a permit to operate truck lines from the Twin Cities to Brainerd and Pierz. In the same order it denied the application of Raymond Brothers, St. Cloud truck operators, who operate a Twin Cities-St. Cloud-Little Falls truck line, to extend their route to Brainerd. The Bollig company is limited in its business to points beyond Little Falls.

Pierz, an inland town, has no railroad service. Opposition to the Brainerd-Twin Cities lines was set up by the Northern Pacific Railroad on the ground that it furnished adequate service. The Commission, however, held that the Interstate Commerce Commission's Fargo decision set up a discrimination against Brainerd shippers and that motor freight service would



aid putting the municipality on the same basis as other points not involved in the Fargo order.

#### Victory for Railroads

Rail carriers won their cases recently when the Railroad and Warehouse Commission denied three applications to inaugurate freight truck service between the Twin Cities and Duluth, after hearings and deliberations covering more than a year. Public conveniences and necessity did not require further freight transportation facilities between the Twin Cities and Duluth in view of adequate rail service now furnished, the commission's order said.

Applicants whose petitions were denied are the Lake Superior Fish & Freight Co. and the North Shore Fish & Freight Co., Duluth, and the Highway One Transportation Co., Minneapolis. Opposition to the applications was entered by attorneys for the Great Northern, the Northern Pacific, the Milwaukee, the Duluth & Iron Range, and the American Railway Express.

#### St. Paul-Pittsburgh Trip

Jack Behr, a truck driver for the Service Transfer Co., St. Paul, claims to have hung up some sort of commercial car record, as yet unclassified, of which he is justly proud. Behr recently completed a 2000-mile trip to Pittsburgh and return in less than six days with a household van. The van body, containing a \$10,000 load of furniture, including a grand piano, was mounted on a motor bus chassis; powered by a 60 hp. 4-cylinder engine.

The truck left St. Paul at 4.45 p. m. on a Wednesday with Behr and a helper, Pat Larkin, and drove to La Crosse and Madison, Wis., and to Elgin, Ill. There the two men took highway No. 30 all the way to Pittsburgh—a route paved the entire distance. The journey ended in Pittsburgh at 10 p. m., Friday of the same week. Behr, who drove the entire time both ways, said he broke no speed records to his knowledge, but put in as many as eighteen hours a day

steady driving, without relief from his helper.

On the way back the two men stopped at Chicago and picked up a load of furniture for St. Paul.

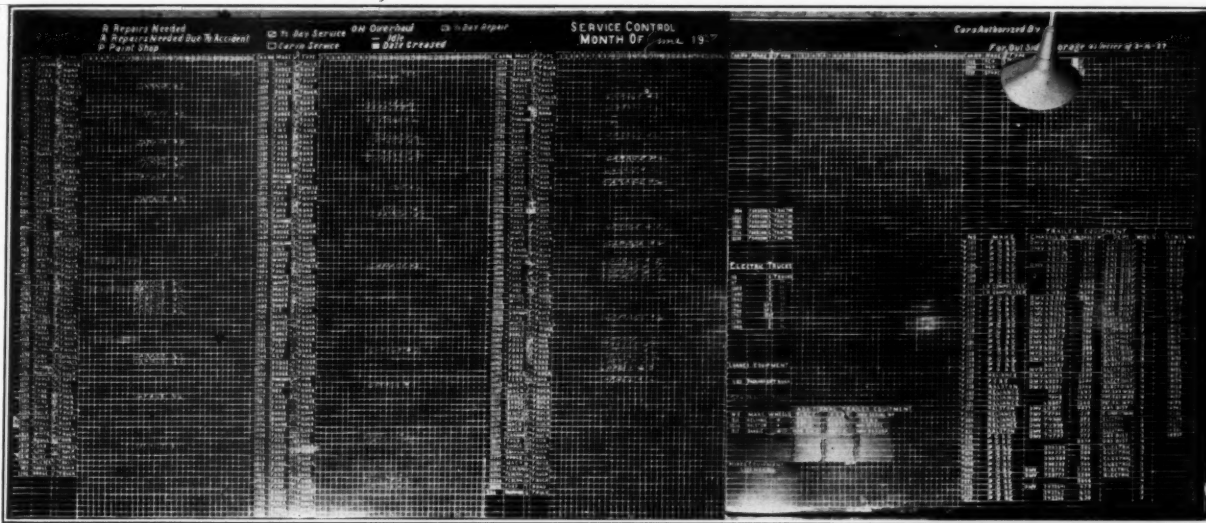
#### Midwest Motor Congress in 1929 in Indianapolis

At a recent meeting of the officers of the Midwest Motor Transportation Congress in Columbus, Ohio, it was decided that the next Congress should convene in Indianapolis in October, 1929, and that an exhibit of motor trucks and accessories should be held.

#### New Highway Trailer Branch

The Highway Trailer Co., Edgerton, Wis., has opened its twelfth direct factory branch—at 603 Washington Avenue, No., Minneapolis. It is known as the Twin City Branch.

## This Blackboard Controls Five Hundred Motor Cars



PERMANENT and constant control and direction of a fleet of more than 500 automobiles, trucks, trailers and tractors are maintained in an unusual manner by a public utility corporation in California. On a blackboard more than twenty feet long and nearly half as wide, the exact location, condition and work of any vehicle in the fleet may be found at a glance at any hour of the day or night. From the superintendent of transportation down to the most recently employed driver in this large fleet every one checks the car, truck, tractor or trailer he uses, and is responsible for the record.

This corporation makes each driver responsible for the vehicle he uses, and endeavors to keep each operator using the same vehicle, particularly in the

truck fleet, which comprises about 75 per cent of the total of cars.

This board contains five columns. At the left of each of these columns are four narrower ruled divisions in which appear, from left to right, permanently painted in, the fleet number of the vehicle, the make, the department by which it is used, and the type of vehicle, whether truck, touring car, sedan, roadster, tractor or trailer. Then follow thirty-one columns, each numbered for a day of the month. These columns are divided into squares by rules passing under the numbers and names of the cars.

In these little daily squares are written in chalk the disposition made of the vehicle for that day. Simple symbols covering repairs needed, repairs required

by accidents, sending of car to paint shop, sending to general shops for overhaul or repairs, half-day service, full-day service, half-day repair, overhaul, idle, date of greasing or servicing, and so on, are used.

During the night, the night shop foreman fills out this record from work done on the various vehicles, so that the driver, coming on in the morning for his car or truck, knows whether it has been greased, serviced and overhauled, or, if not, when it will be attended to. He further knows whether the vehicle for which he is responsible is ready for work; if it is not, he applies to his immediate superior for another vehicle.

Similarly the shop foremen, both day and night, know in advance when a car

(Concluded on page 48)

# WITH THE ASSOCIATIONS

HERE is presented in tabloid form the Association news that is of general interest to the industry as a whole. No effort is made to present complete reports of all Association meetings; the dissemination of such information is logically the work of the officers and the committee chairmen. What is presented here is in effect a cross-section review of the major activities so that Association members may be kept advised as to what "the other fellow" elsewhere in the country is thinking and doing. When annual or semi-annual meetings are held, more extended reports will occasionally be published.

E. St. Elmo Lewis, counsel in trade and consumer relations, National Services, Inc., Detroit, who is a business analyst of recognized standing and who has made a special study of trade associations, recently made these comments to an industrial group:

"Successful associations are invariably those that have set up their plans of organization and program of operations only after the most careful analysis to determine the real situation in and out of the trade—and then let such facts lead them to practical decisions."

"The most successful associations are asking members to do little but pass on policies and results—leaving the execution to paid staffs."

"Associations of outstanding success are invariably manned by skilled specially-trained executives who have displayed definite qualities of leadership."

"The business leaders who have developed successful associations

know that budgets are fixed by the plan of work, and they cannot afford to employ a cheap staff. Compensation is going up."

"The Federal Trade Commission and Court records demonstrate the futility of handling trade problems in a spirit of fighting resistance to public opinion. Successful trade associations guide and develop a favorable public opinion."

"Successful associations have found ways to make codes effective in raising the standards of practice."

"Successful associations have developed affirmative, constructive programs of helpfulness in all functions of a business."

"The most successful associa-

tions are all staffed by specialists in the different business problems that research and analysis have shown to be important in the effort to maintain profits and the relative place of the trade."

"There are four things every trade association must do—

"(a) It must have an aggressive, faithful and competent leadership and a membership loyal to the purpose and plan.

"(b) It must have a plan of action based on a competent unbiased analysis of the trade's requirements.

"(c) It must have an adequate and competent staff to do the work.

"(d) It must have a program that realizes the necessary time, and a budget that fully covers the expense of putting the plan into execution."

## National

ANNOUNCEMENT is made in Chicago, where the headquarters of the National Furniture Warehousemen's Association is located, that the agents of the Allied Van Lines, Inc., the new inter-city removals agency of the National, have elected the following directors:

### Eastern Region

District No. 1, Maine, New Hampshire, Vermont and Massachusetts—Francis E. Buckley, manager Dorchester Fireproof Storage Warehouse Co., Boston.

District No. 2, Connecticut and Rhode Island—Edward G. Mooney, president Hartford Despatch & Warehouse Co., Inc., Hartford, Conn.

District No. 3, New York—Barrett C. Gilbert, vice-president Gilbert Storage Co., New York City; Ernest H. Milligan, vice-president Lee Brothers, Inc., New York City; Joseph W. Glenn, O. J. Glenn & Son, Buffalo; Arthur S. Blanchard, president Blanchard Storage Co., Inc., Rochester.

District No. 4, Pennsylvania—D. F.

Shanahan, president Shanahan Transfer & Storage Co., Pittsburgh; Walter E. Sweeting, president Atlas Storage Warehouse Co., Philadelphia.

District No. 5, New Jersey—George Sebold, vice-president Weimar Storage & Trucking Co., Inc., Elizabeth; Nathan L. Goodman, secretary Goodman Warehouse Corp., Jersey City.

District No. 6, Maryland and Delaware—Lawrence A. Naylor, president Monumental Storage & Carpet Cleaning Co., Baltimore.

District No. 8, West Virginia and Virginia—W. Fred Richardson, president W. Fred Richardson Security Storage Co., Inc., Richmond, Va.

At the time the announcement was made no director has been elected for District No. 7, District of Columbia.

### Central Region

District No. 1, Ohio—George A. Rutherford, president Lincoln Storage Co., Cleveland; Frank W. Stacey, secretary Wm. Stacey Storage Co., Inc., Cincinnati.

District No. 2, Indiana—H. C. Schroeder, president Hogan Transfer & Storage Co., Indianapolis.

District No. 4, Michigan—Arthur A. Leonard, president Leonard-Detroit Storage Co., Detroit; Henry H. Stevens, owner Henry H. Stevens Storage, Flint.

District No. 5, Illinois—W. H. Collin, secretary Empire Warehouses, Inc., Chicago; Walter P. Thiebault, vice-president Hebard Storage Warehouses, Chicago; Charles E. Ware, president Evanston Fireproof Warehouse, Evanston.

District No. 6, Minnesota—Oliver Skellet, president Skellet Co., Minneapolis.

District No. 8, Missouri—Daniel P. Bray, president Monarch Transfer & Storage Co., Kansas City; A. H. Driemeier, president A. Driemeier Storage & Moving Co., Inc., St. Louis.

District No. 10, Kansas, Oklahoma and Arkansas—O. H. White, president Topeka Transfer & Storage Co., Topeka, Kan.

At the time the announcement was made no directors had been elected for District No. 3, Kentucky; District No. 7, Wisconsin, and District No. 9, Iowa, North Dakota, South Dakota and Nebraska.

LONG  
DISTANCE  
MOVING

NATION-WIDE  
SERVICE

# ALLIED VAN LINES

INC.



General Offices  
4651 Cottage Grove Ave.  
CHICAGO, ILL.

Here's a letterhead that seems destined to become internationally known. It is that of the Allied Van Lines, Inc., the recently-organized inter-city removals agency of the National Furniture Warehousemen's Association

## New York State

THE New York State Warehousemen's Association, made up of local organizations in various parts of the State, held its seventh annual meeting on June 22-24 at the Fort William Henry Hotel, Lake George, and elected officers and directors as follows:

President, U. C. Leckinger, B. R. & P. Warehouse, Inc., Rochester.

Vice-president, W. P. Dunlap, manager Leonard Warehouse of Buffalo, Inc., Buffalo.

Secretary, William T. Bostwick, president Thomas J. Stewart Co., New York City.

Directors, E. J. Tucker, secretary Monarch Storage & Warehouse Co., Inc., Buffalo, and president Buffalo Furniture Warehousemen's Association; Arthur S. Blanchard, president Blanchard Storage Co., Inc., Rochester, and president Truckmen's & Warehousemen's Association of Rochester; W. F. Firth, trustee of estate of William Beard, New York City, and president Warehousemen's Association of the Port of New York; Harold W. Dean, president Dean of Ithaca, Inc., Ithaca, and president Central New York Warehousemen's Club; Barrett C. Gilbert, vice-president Gilbert Storage Co., New York City, and president New York Furniture Warehousemen's Association; Ray M. King, president King Storage Warehouse, Inc., Syracuse; Charles A. Winslow, president Winslow Trucking Co., Inc., Watertown; William E. Cramer, secretary Bowling Green Storage & Van Co., New York City; William J. Connor, secretary Flagg Storage Warehouse Co., Syracuse; Walter C. Reid, vice-president Lincoln Warehouse Corporation, New York City; Joseph W. Powell, president Cold Spring Storage Co., Inc., Buffalo; Joseph W. Glenn, O. J. Glenn & Son, Buffalo.

## Business Conditions

In his report as retiring president Charles A. Winslow said the business situation was fairly satisfactory in some lines, rather uncertain in a few, and, taken as a whole, "not as good as we

might wish for." It had always worked out, however, he declared, that "bad conditions today will gradually bring better business and improvement tomorrow, and the mistakes of today are giving us an education for tomorrow, so that I am sure that what may appear as a hardship now will finally work out for our best interests." He said that money properly spent for advertising would mean a big return on investment, and believed that the development of the industry could be attributed to "constant contact of association activities." He urged membership in Albany, Schenectady, Amsterdam and other cities not now represented in the State organization.

## "AVL Inc."

Mr. Winslow said that the Allied Van Lines, Inc., the inter-city removals agency of the National Furniture Warehousemen's Association, seemed to have struck a responsive chord and he predicted "positive success for it." He scored such unethical practices as price-cutting, free storage and the paying of commissions, declaring they demoralized the industry locally, and stressed the need for their elimination. He concluded by warning that the warehousemen of the State were due for unfavorable legislation at Albany, especially in connection with truck regulation, and he urged a united front against it.

William T. Bostwick, secretary, read telegrams from Henry Reimers, Chicago, executive secretary of the N. F. W. A., and Martin H. Kennelly, Chicago, chairman of the National's inter-city removals committee, expressing regret at being unable to attend. He reported a membership of 183 companies—93 in the N. Y. F. W. A., 33 in the Rochester local, 29 in the Port of New York organization, 16 in the Central New York body, 10 in the Buffalo local, and 2 in individual cities.

John B. Baillargeon, Montreal, a past president of the Canadian Storage & Transfermen's Association, was introduced, and reports were then submitted on behalf of the N. Y. F. W. A., Central

New York and Buffalo locals (the Port of New York and Rochester organizations not having any representatives present).

For the N. Y. F. W. A., Barret C. Gilbert, its president, stressed the recent raise in rates and the effort to control ethics as features of the year's activities. He said the 25 per cent increase on both present and new accounts had already created profitable business for the members in the metropolis. He urged that quoting by the van load should be carefully considered by the other trade associations.

For the Central New York body, Ray M. King, Syracuse, said there was harmony among the members and that the members were supporting the Allied Van Lines, Inc.

For the Buffalo organization E. J. Tucker, its president, said storage business had been below par for the past year, due in part to cartage men operating storage business in a small way at prohibitive prices. He declared packing to be almost a lost art.

On motion by Joseph W. Glenn, Buffalo, it was voted that the State association join with the N. Y. F. W. A. in sending William T. Bostwick, secretary of both organizations, to the French Lick, Ind., convention of the N. F. W. A.

## May Organize New Body

Mr. King emphasized a need for more intensive association work by the State body, particularly in the merchandise branch, and U. C. Leckinger in his talk accepting the presidency indicated that he would create a committee to solicit membership among the merchandise storage companies with a view possibly to forming a merchandise warehousemen's association to embrace firms not located in New York City.

The Allied Van Lines, Inc., was discussed at length, and Mr. Gilbert, conceding that the present inter-city removals bureau of the N. F. W. A. were inadequate, declared that the new agency "will give us what we want."

—K. B. S.





Some of the delegates who attended the annual meeting of the Central Warehousemen's Association of Illinois, at Champaign, June 22-23. Twelfth from left is C. B. Hall, the newly-elected president. At his right is H. J. Crandall, his predecessor in office. The two motor vans were on exhibition. That of the Chester & O'Byrne Transfer Co., Champaign, is mounted on a White chassis. The one of the Federal Warehouse Co., Peoria, is mounted on an Autocar six-cylinder "Pathfinder"

### Illinois

THREE outstanding features of the annual meeting of the Central Warehousemen's Association of Illinois, held in Champaign on June 22 and 23, were an indefinite postponement of the proposal to form a State-wide organization to take in the Central and the furniture and merchandise men in Chicago; adoption of the code of ethics of the National Furniture Warehousemen's Association; and formulation of a plan to enforce the State bonding and licensing law.

Officers were elected as follows:

President, C. B. Hall, president Danville Transfer & Storage Co., Danville.

Vice-president, T. P. Bradford, partner Merchants Transfer & Storage Co., Springfield.

Secretary and treasurer, Russell E. Hillier, partner Hillier Storage Co., Springfield.

Executive committeemen, John W. Hamman, president Hamman Bros., Transfer & Storage Co., Decatur, and the association's retiring president, H. J. Crandall, president Crandall Transfer & Warehouse Co., Moline.

It was voted to hold the next meeting in Bloomington on Oct. 19 and 20.

The failure to approve a definite consolidation of the Central organization, the Illinois Furniture Warehousemen's Association and the Illinois Association of Warehousemen came undramatically, without the anticipated arguments and debate. Clarence A. Ullman, Peoria, brought up the question, and, after reviewing the situation, moved that its status be left unchanged. This motion received a unanimous vote. The action came at the final session and just prior to the arrival of a delegation of Chicago merchandise warehousemen. Following their coming the two groups met and the Chicagoans were advised of what had taken place. Cooperation was promised and on behalf of the Illinois Association of Warehousemen a proposition was accepted that the Central organization be represented in the I. A. W. by a vice-president and a director. Mr. Crandall was designated as the vice-president and Mr. Hall as the director.

The adoption of the National's code of ethics followed general discussion led by S. S. David, Chicago, representing the Illinois Furniture Warehousemen's Association.

Consideration of the bonding and licensing problem disclosed that some warehousemen in the southern part of the State were ignoring the statute, claiming political prestige. Members agreed that a new law should be enacted, but that meanwhile an effort should be made to enforce the present one. To this end two committees were named to

Lines, Inc., the National's new inter-city removals agency.

During the meeting the Chicago merchandise group held a special session presided over by John V. Petritz, Rockford, and discussed problems pertinent to their own activities. Those attending it included J. Edgar Lee, president of the American Warehousemen's Association; Chester B. Carruth, statistician of the American's merchandise division, and some of the members of the Central organization.

—Universal Trade Press Syndicate.

### New Membership Affiliations

Michigan Warehousemen's Association  
Baier Transfer & Storage Co., Detroit.

Minnesota Warehousemen's  
Association  
Austin Transfer Line, Austin.

New York State Warehousemen's  
Association  
Consolidated Trucking & Storage Co.,  
Jamestown.  
Empire Storage Warehouses, Troy.

Pacific Coast Furniture Warehouse-  
men's Association  
Beverly Hills Storage Co., Los  
Angeles.  
J. B. Peckham & Co., San Mateo, Cal.

get in touch with the gubernatorial candidates and enlist their support.

C. B. Hall, the newly-elected president, assured the members that he would devote virtually all his time to the association's development, and that his four main points of concentration would be to stimulate attendance at meetings by preparing interesting programs; to help raise the standards of the business; to effect more intensive cooperation among the members; and to work out plans for creating new business, including side lines.

H. J. Crandall presided at the convention, and Mayor Frank of Champaign welcomed the delegates. The speakers included Henry Reimers, Chicago, executive secretary of the N. F. W. A., who outlined the work of the Allied Van

### American

ANNOUNCEMENT is made by Ralph C. Stokell, New York, treasurer of the cold storage division of the American Warehousemen's Association, that the following changes have been made in the division's personnel:

The executive committee members have elected Nimmo Old, Jr., Richmond, Va., as the division's president, in succession to Gardner Poole, who recently resigned as president of the Quincy Market Cold Storage & Warehouse Co., Boston, and also the cold storage divisional presidency, to which he was elected last January. Mr. Old, the new executive, is secretary, treasurer and operating executive of the Merchants Cold Storage & Ice Manufacturing Co., Richmond.

Odin C. Mackay, manager of the cold storage department of the Quincy Market Cold & Warehouse Co., Boston, has been added to the division's executive committee to fill place made vacant owing to Mr. Poole's withdrawal.

M. W. O'Keefe has been retained as the division's executive secretary, in succession to E. C. Gott, who, designated last April, subsequently resigned to take a position with a cold storage firm in Chicago.

The new executive secretary, Mr. O'Keefe, whose address will be 222 West Adams Street, Chicago, has for the past year been vice-president and general manager of the Live Poultry & Dairy Shippers' Traffic Association

of Chicago. Regarding him, Mr. Stokell's announcement says:

"Mr. O'Keefe brings to the cold storage division an excellent record of experience in trade association affairs by reason of his former connection as assistant secretary of the National Poultry, Butter & Egg Association, a position which he held for a number of years. He is also well versed in traffic matters and has a large acquaintanceship in the trades in which the warehousemen are interested."

### New York F. W. A.

WILLIAM T. BOSTWICK, secretary of the New York Furniture Warehousemen's Association, has sent the following special notice to the organization's members:

"Recommendation of better business committee and cost accounting committee at regular June meeting and indorsed at special meeting:

"Starting July 1, 1928—Minimum rate for moving in Manhattan below 135th Street shall be \$8.50 per hour for a van and three men; additional man at rate of \$1.50 per hour. Charges shall start from time of arrival at job to finish of work.

"This recommendation applies to all moving of household goods except moving in and out of the warehouse."

The foregoing serves to correct an erroneous impression given by a report of the association's June meeting published in the July issue of *Distribution and Warehousing*. That report indicated that the new rate would apply also to moving in and out of the warehouse.

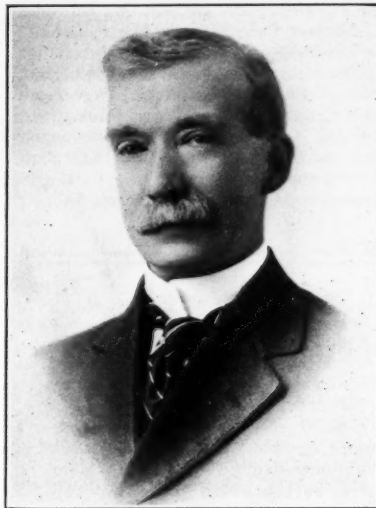
The New York Furniture Warehousemen's Golf Club, operating under the supervision of Herbert N. Bragg as chairman of the sports committee of the New York Furniture Warehousemen's Association, will hold tournaments at the Bonnie Briar Country Club, Larchmont, N. Y., on Aug. 9, and the Winged Food Golf Club, Mamaroneck, N. Y., on Sept. 4. These will be the concluding ones of five summer contests.

### Southern

SYDNEY M. GREEN, JR., Nashville, Tenn., executive secretary of the Southern Warehousemen's Association, announces that the membership on July 1 totalled 81 companies in twelve States, as compared with 54 companies in eight States on Jan. 1. This is a gain of 27, with members obtained for the first time in Virginia, Louisiana and Arkansas. The list by States:

Tennessee 19, a gain of 7; Alabama 16, unchanged; North Carolina 15, a gain of 11; Florida 10, a gain of 4; Georgia 8, a loss of 1; Virginia 4, a gain of 4; Kentucky 3, unchanged; Louisiana 2, a gain of 2; Mississippi 2, unchanged; Arkansas 1, a gain of 1;

### George H. Chadwick



Secretary of the Manitoba Cartage & Warehousing Co., Ltd., Winnipeg, Mr. Chadwick was recently elected president of the Canadian Storage & Transfermen's Association

South Carolina 1, a loss of 1; West Virginia 0, unchanged.

### Notes

The June meeting and luncheon of the Massachusetts Warehousemen's Association was held at the Exchange Club in Boston on the 19th. Owing to the absence of the president, Samuel G. Spear, Boston; William B. Mason, Providence, R. I., the vice-president, was in the chair. Gardner Poole, Boston, entertained the members with an account of his attendance as one of the official American delegates to the recent International Refrigeration Congress at Rome, Italy.

Cyrus A. Anderson, of the Anderson-Mattoon Co., San Francisco, was elected president of the Pacific Coast Freight Forwarders' & Customs Brokers' Association at its recent annual meeting.

### New Chock Device Designed to Stop Automobiles

A device which the inventor holds will save human life by stopping an automobile almost instantly has been perfected and a patent for it has been sought by Pasquale Strano, of Elizabeth, N. J.

The mechanism, the inventor says, can be applied to any car. It stops the vehicle, he declares, by dropping under the rear wheels a chock, or shoe, the sole of which is fitted with a cork pad to prevent skidding. The shoes, which weigh about eight pounds, are fastened on a pair of rocker arms integral with the chassis. They are wedge-shaped, and the points pass under the wheels. The wheels cannot pass over the chocks,

### British Columbia

THE General Cartage & Storage Association of British Columbia, Canada, at its June dinner meeting chose officers and executive committee members for the ensuing year as follows:

President (reelected) Elmer Johnston, president Johnston Storage Co., Ltd., Vancouver.

Vice-president (reelected), Robert Wilkinson, secretary Reynolds Cartage Co., Vancouver.

Treasurer (eleventh term), secretary Campbell's Security Fireproof Storage & Moving Co., Ltd., and Vancouver Warehouses, Ltd., both in Vancouver.

Hugh E. McDonald was elected honorary life president and E. A. Quigley, Vancouver, was retained as secretary.

General executive committeemen and sectional chairman:

Household goods removals, long distance and storage, Fred Crone, president Crone Storage Co., Ltd., Vancouver.

City merchandise, F. D. Gross, president Mainland Transfer Co., Ltd., Vancouver.

Merchandise storage, Geothe H. Cottrell, president G. H. Cottrell, Ltd., Vancouver.

Long distance merchandise cartage, T. C. Bosley, Fraser Valley Freight Line.

Heavy cartage, George Hardy, Merchants Cartage Co.

General delivery, J. M. Lorimer, Crown Cartage & Warehouse Co.

Piano, D. Scott, Scott & Pease.

Baggage, W. Barras, Central Motor Cartage.

Fuel, E. C. Howell, Evans, Coleman & Evans.

Dump truck, R. G. Selman, R. G. Selman Cartage Co.

Also E. O. Ames, secretary Crann Storage Co., Ltd., Vancouver; J. G. Crawford, president Crawford Storage & Distributing Co., Ltd., Vancouver; A. E. Holmes, Holmes & Wilson; W. K. Lorimer, Twin City Transfer Co., and F. P. Clark, General Truck Co.

The association voted to form a vehicular traffic bureau, which would permit firms not engaged in the industry, such as railway express companies, wholesalers, etc., to become affiliated with the organization as associate members.

Strano asserts, because the top surfaces of the shoes are fitted with rollers on which the wheels revolve if power is applied before the chocks are pulled up.

### New Nashville Firm

The Tennessee Warehousing Corp. has filed a charter for incorporation and plans to conduct a general storage and warehousing business. The capitalization is 500 shares of stock. The incorporators are J. O. Swingley, W. J. Fitts, L. H. Little, C. A. Martin, and William Hume. The company maintains offices in the Cotto States Building.

## Brooklyn Company Wins an Accident Prevention Prize

THE Brooklyn Warehouse & Storage Co., Brooklyn, won first prize—five \$20 gold pieces—in a recent warehouse accident prevention contest conducted by the Merchants' Association of New York. In a four-months' period the employees of the Brooklyn firm worked a total of 31,205 man-hours without a single lost time mishap.

Forty-six storage companies in the metropolitan New York district entered the competition. Forty-one of these finished, and they sustained a total of only eighty-six lost time accidents for a total of 1,423,827 man-hours. Twenty-five of the firms' employees came through the contest without any lost time accidents and received certificates of merit.

Lewis A. DeBlois, chairman of the Merchants' Association's committee on industrial accident prevention and director of the engineering division of the National Bureau of Casualty and Surety Underwriters, in presenting the prizes at a luncheon held by the Warehousemen's Association of the Port of New York, declared that the most common type of accident not only in warehouses but in all manufacturing plants was the dropping of boxes, cases, etc., on the hands and feet.

"That kind of accident," he said, "is most common in all industry regardless of its character. It is true, even in explosive plants, that the most frequent cause of injury to employees is the dropping of material. It is true in the machine plant; your business is only sharing the general hazard of industry as a whole."

After pointing out that the average accident frequency rate in warehouses had been sixty per million man-hours, Mr. DeBlois declared that this rate was too high—that it ought not to be more than twenty. He continued:

"What I want to inform you is that you are insured but for 20 per cent of the cost of your accidents. There is 80 per cent of it for which you cannot get insurance. That is true even in large manufacturing plants. The indirect losses are delay, breakage of materials, loss of product, loss of morale, and effect on the labor turnover.

"These are all things that come into the picture. They are things you don't see; they are in every line of business, and they are 80 per cent of your accident cost.

"Suppose your insurance rate is \$4 a hundred. Sixteen dollars more is going out of your pocket that is not coming out of your insurance. If you can save that, you will bring down your insurance rates eventually.

The following are the twenty-five firms which were awarded certificates of merit:

Anchor Stores, Inc., Baltimore & Ohio Stores, Inc., Bowne-Morton's Stores, Inc., (Brooklyn); Butler's Warehouses, Inc. (Brooklyn); Commercial Stores, Inc., Fulton Market Refrigerating Co., Fur Merchants Cold Storage Co., Inc., Gough & Semke, Inc., Greenwich Storage

Co., Harris Warehouses, Inc., Heermance Storage & Refrigerating Co., James Everard's Companies, Inc., J. M. Lowden, Inc., Loewer Cold Storage Corp., Loomis Cold Storage Co., Mutual Warehouse Co., McNally Bros., Inc. (Brooklyn); Republic Storage Co., Inc., Riverside Cold Storage Co., Rex Warehouses, Inc., Shephard Warehouses, Inc., Stevenson Refrigerating & Storage Co., Inc., Sunset Warehouses, Inc., Towers Warehouses, Inc., Vestry Warehouses, Inc.

## Back Copies Wanted

**DISTRIBUTION AND WAREHOUSING**, which started publication longer than a quarter-century ago under the name *Team Owners' Review*, desires to complete its file of the first thirteen volumes—from 1902 to 1914 inclusive, during which years the magazine was known as the *Team Owners' Review*.

If owners of either complete volumes or single copies of the *Team Owners' Review* will communicate with Andrew K. Murray, business manager of *Distribution and Warehousing*, the publishers will be appreciative.

Good prices will be offered for the copies.

## Warehouse Cost System of Lawrence Co., San Francisco

(Concluded from page 14)

The Warehousemen's Association of the Port of San Francisco has voted to keep cost-accounting systems. A cost-finding committee has been appointed and forms are being printed for the work. It is not difficult to keep the records; in fact it is pleasant and interesting work—doubly so when it shows you where you can save money. It is simple, and the results are profitable. Above all, there is a great and lasting satisfaction in being able to demonstrate to customers, both old and new, the exact cost of handling their goods, especially when a dispute arises. I have done this many times, through our own system, and I never have seen it fail to produce favorable results.

When you can show a man exactly what it costs to do a job for him, how can he expect a reduction in the charge?

On the other hand, if you are overcharging him, you want to know that, too, just as much as he does, for you cannot afford to have a customer know more about your business than you do.

There's not another book like the annual *Warehouse Directory*. It lists all the reliable warehouse firms in the United States and Canada. Consult it—and benefit.

## Government Inaugurates Plan to Simplify Shipping Tags

Distribution and Warehousing's  
Washington Bureau,  
1163 National Press Building

A MOVEMENT for the simplification of shipping tags was launched on June 25 at a meeting of manufacturers during which a committee was appointed to make a survey of all forms of shipping tags with a view to working out specific recommendations as to sizes, thicknesses and colors.

The meeting was held under the supervision of the Division of Simplified Practice, Bureau of Standards, Department of Commerce and George Schuster, who represented the Division, laid before the meeting the results of a preliminary survey of a variety of tags conducted among manufacturers.

After considering the report the conference agreed that further study was necessary in order to formulate tentative recommendations. A committee consisting of O. L. Moore, chairman, secretary of the Tag Manufacturers' Association, Chicago; William R. Eastwood, Reyburn Manufacturing Co., Philadelphia; E. B. Graupner, International Tag Co., Chicago; George M. Huey, Denney Tag Co., West Chester, Pa., and H. E. Reynolds, Dennison Manufacturing Co., Framingham, Mass., will gather data on the stock now being used by manufacturers of shipping tags and draft tentative recommendations to be presented at another meeting to be called at a later date.

Mr. Schuster of the Division of Simplified Practice will assist the committee in making the study.

—Philip G. Loucks.

## Detroit Warehouse Executive Is Believed to Have Been Murdered

A body believed to be that of Archie J. Cartwright, manager of the Twelfth Street Terminal Warehouse, Detroit, who disappeared from his home on March 30, was recovered from the Detroit River at Sandwich, Ontario, on June 30. Mrs. Maybelle Cartwright, his wife, partially identified the body when it was exhumed early in July.

Mr. Cartwright was to have been a witness in the trial of alleged operators of an illicit brewery, and the theory of the police is that he was murdered in order to prevent his testimony.

## Minnesota License Ruling

A new ruling has been made by the Minnesota Attorney General's office affecting persons who drive trucks into Minnesota from adjoining States and travel from place to place. They cannot avail themselves of the reciprocity act passed by the last Legislature, which allows a reciprocity permit costing \$1. The ruling reads:

"This law does not apply to trucks and buses in commercial transportation over regular routes nor to trucks entering the State of Minnesota for the purpose of doing interstate hauling. These must have Minnesota licenses."



## Activities of Executives in and Out of the Industry

**ROSS L. GREENAWALT**, formerly in the transfer and storage business in Goshen, Ind., and a past president of the old Indiana transfer and warehousing organization which is now the Motor Truck Association of Indiana, Inc., was appointed a few months ago as a bus inspector with the Indiana Public Service Corporation. After receiving this position he sold his business, the Ross Transfer & Storage Co., Goshen, to the firm of Rippy & Dillan of Syracuse, Ind.

Mr. Greenawalt was active prior to

### Ross L. Greenawalt



*Former warehouse executive now a bus inspector for the Public Service Corporation of Indiana*

1925 in drafting a bill which, enacted, is known as the public convenience and necessity law, which protects common carriers who have certificates. In 1927 he was elected to the State House of Representatives from Elkhart County.

Olin M. Jacobs, Boston, secretary of the Massachusetts Warehousemen's Association, has been elected chairman of a group of trade association executives of New England. At the recent meeting at which he was chosen, Dr. Hugh P. Baker, manager of the trade association department of the Chamber of Commerce of the United States, outlined the national Chamber's plan for cooperating with the country's trade bodies, emphasizing the necessity for stimulating such activities as part of a program to improve business conditions. The New England executives voted that Mr. Jacobs should call them together in the fall for the forming of a permanent organization.

The Meridian Club, Kansas City, Mo., on June 28 elected as its presi-

dent A. C. Cresto, who is president and general manager of the Federal Van & Storage Co.

Forty-eight organizations of business and civic betterment character make up the Club Presidents' Round Table in Kansas City, and warehousing is represented with presidencies as follows:

Rotary Club and Boy Scouts of American Council, Oscar W. Thomas, secretary of the A-B-C Fireproof Warehouse Co.

Central Industrial District Association, Charles C. Daniel, president of the Central Storage Co.

Meridian Club, Mr. Cresto.

Kansas City Warehousemen's Association, Ellis W. Leritz of L. Leritz & Son.

Miss Charlotte Harding, in charge of the freight department of the Hollywood Storage Co., Hollywood, Cal., was one of the four delegates appointed to represent the Woman's Traffic Club of Los Angeles at the annual convention of the Associated Traffic Clubs of America in San Francisco in June.

Malcolm A. Keyser, president of the M. A. Keyser Fireproof Storage Co., Salt Lake City, has formally announced that he is a candidate for the Republican nomination for Governor of Utah.

Tarrant P. King, proprietor of the Fort Hill Storage Warehouse, Boston, was recently elected a vice-president of the National Association of Building Owners and Managers.

H. E. Johnson, treasurer of the Flour City Fuel & Transfer Co., Minneapolis, and Mrs. Johnson are spending the summer in Sweden. They drove by automobile to New York and shipped the car abroad, to motor to Sweden by way of other European countries.

Frank Lannon, superintendent of the Ryan Transfer Co., St. Paul, and Mildred M. Burke, assistant county attorney of Ramsey, were married recently and are spending their honeymoon at northern Minnesota resorts.

H. G. McNeely, president of the St. Paul Terminal Warehouse Co., St. Paul, Minn., has been elected a director of the Merchants National Bank, the second financial institution in size in the city.

### Minnesota Carrier Ruling

Motor truck freight line operators in Minnesota have been warned to desist acting as shipper-agents. A general order by the State Railroad and Warehouse Commission contains the information that numerous complaints have been received that some truck operators have been receiving commissions from creameries and other organizations for carrying shipments their way.

Under Minnesota law, vehicles acting as common carriers cannot act as private contract carriers.

## Frank L. Allen Now with Bekins Firm in Los Angeles

**FRANK L. ALLEN**, formerly president of the California Fireproof Storage Co., Los Angeles, has joined the Bekins Van & Storage Co., operating household goods depositories in various Pacific Coast cities, and is now in charge of the storage department in the Bekins plants in Los Angeles.

Mr. Allen began his warehousing career in 1904 as a stenographer with the Langan & Taylor Storage & Moving Co., St. Louis. At the end of nine years he assumed the burdens of management. In 1913 he purchased a St. Louis-Los

### Frank L. Allen



*Former warehouse company president who has joined the Bekins firm in Los Angeles*

Angeles round trip ticket, arrived in California—and never used the return half. Instead he obtained a position as bookkeeper with the Lyon Fireproof Storage Co., Los Angeles, and remained with that firm until 1922, when in association with T. O. Bunch of Chicago he bought the California Fireproof Storage Co., Los Angeles, and became its president.

When Mr. Allen left the Lyon firm the Lyon employees presented him with a diamond and platinum ring inscribed on the inner surface with the date and on the outside with the symbol of a Scottish Rite Mason. This ring is his most cherished possession and he wears it constantly.

Aside from a little bridge playing Mr. Allen's hobbies are work, golf and California.

### New Company in Dover, Del.

The Delaware Trust Co., Dover, Del., has sold a large brick warehouse on William Street to canning interests, who have organized a firm to be known as the Dover Warehouse, Inc., which plans to conduct a public warehouse business.

# Business Men Continue to Take Up Slack in Industry and Commerce

By F. M. FEIKER,

Managing Director, The Associated Business Papers

**M**ERGERS and consolidations, apparent discounting of the old prejudice of poor business in a Presidential year, unexpected gains in some lines, sharp retrenchments in others, normal business in general on the 1927 level, and cooperative group attacks upon common business problems, mark the first six months of business for the year 1928. Business men in key industries, trades and technical professions, reporting through the editors of their respective business publications for the first semi-annual survey of business conditions undertaken by the National Conference of Business Papers Editors and the Associated Business Papers give these as the outstanding trends of business for the first half of the current year.

The steel industry by high specialization in developing many small volume markets has completely taken up the slack of a greatly reduced volume of steel orders by railroads. The meat packing industry has enjoyed a larger volume of business and a strong domestic and foreign market. The automobile industry, save Ford, is going ahead of expectations and should finish the year about on a par with or better than 1927, with manufacturers much nearer the solution of the used car problem.

Editors in all lines report no important decreases in wages, some slight rises in specialized industries, and individual shortages of highly skilled mechanics. Total payrolls, on the other hand, are considered a little below those of the first six months of 1927, due to more automatic machines.

Another interesting sidelight is the expansions that have been made in service industries, notably the hospitals and the restaurants. These industries have greatly increased their total number of employees. There has been a distinct flow of labor from producing industries into service work, providing employment for those who otherwise would be unemployed. This trend is general, but as yet no statistics are available.

The editors are unanimous in reporting that the first six months of 1928 have been characterized by many desirable major and minor mergers, cooperative market finding activities and intelligent control of production.

The building and construction industries are outstandingly booming. In dollar volume these industries are far ahead of 1927, which was the largest year on record. Building and engineer-

ing construction for the first five months of the current year is nearly 25 per cent ahead of that same period for last year, and operations are being carried on in practically all sections of the country. The largest gain as to class of work is in commercial building, and as to geographical region, the Middle Atlantic States. Home building, however, is below last year.

Construction costs, instead of skyrocketing, are holding remarkably constant, and wholesale and retail stocks of building supplies are reported to be 30 per cent below what they were a year ago. The outlook for the building industry is that gradually it will return to a new normal annual volume, almost twice as great in dollars as the average year of the pre-war level.

The electrical industry reports that the total production of electricity was about 9 per cent greater for the first half of the present year than for the similar period of 1927. The railroads are credited with being efficiently operated and giving dependability and speed of service in freight shipments that surpass all previous records, despite the fact that the volume of freight is somewhat less than that of 1926 or 1927.

The rubber industry, on the other hand, is reported to have suffered very greatly since the first of the year. The complete abandonment of the British rubber restriction policy caused the collapse of the crude rubber market, prices tumbling from 44 cents per pound to 17 cents, the lowest in years. American manufacturers were caught with excessive inventories of goods made of high-priced rubber, and with commitments for over 100,000 tons of high-priced crude rubber. Retail tire price reductions forced these manufacturers to write off a large depreciation on finished tires and tubes. This meant an actual physical cash loss of fully \$75,000,000 to the industry.

The rubber industry is credited with starting to recover, although practically every manufacturer will show a substantial loss for the year. The organization of the American Rubber Institute under General Lincoln C. Andrews, former Federal Prohibition Director, will stabilize the industry and correct bad merchandising practices.

The textile industry is not as seriously depressed, as rubber is considered to be in a condition of "profitless prosperity." Business for the first half of this year ranged from normal to de-

pressed. Most divisions of the cotton and wool branches conditions are now decidedly subnormal, because of machine-hour productive capacity considerably above normal consumption and failure by manufacturers to balance production and consumption. In this industry, however, there is now more general economic cooperation between manufacturers that has resulted in the organization of the Cotton Textile Institute, the Wool Institute, and plans for similar joint endeavors by the carpet and the upholstery manufacturers.

The metal working industries have done considerable more new plant construction and new equipment buying, a condition which characterizes nearly all of the production industries of the country, and efficiency of operation is generally conceded to be a trifle better than last year.

In the mercantile field the volume of trade is slightly ahead of 1927, but bad spots are reported in the coal regions and western farm States. Department store stocks are reported to be somewhat smaller, and in some sections customers are complaining that stores are chronically "just out." Chain dry goods stores are making steady growth, as is group buying by independent department stores. Both chain department stores and those independently operated are credited with normal business because of excellent sales efforts.

The furniture industry in both the manufacturing and merchandising fields is slightly above the level for the first half of 1927. Whether or not the public accepts Art Moderne, furniture styles will have a very decided effect upon business in the fall.

The oil industry is stabilizing its operations to bring crude oil production more nearly in line with the demand for refined products. A marked decrease in oil operations in all but newly opened fields has resulted. Crude oil prices are practically the same as the close of 1927, with no material changes anticipated. Stocks of both crude and refined products have been increased, but at a lesser rate than 1927, and the present supply and demand seems to about balance. Holding runs of crude oil to market demand has resulted in a two-cent advance in the wholesale gasoline price, but the retail price has not been advanced the country over.

Due to a seriously over-built situation particularly in the larger cities, hotels

(Concluded on next page)

## Davis Heads Consolidation of Pacific Coast Companies

SOME of the details regarding the recently incorporated \$2,000,000 Lyon Van & Storage Co., announced in the June issue of *Distribution and Warehousing*, were made public on June 2 by Judson M. Davis, president of a company of that name which has been in operation in Los Angeles since 1911.

The new incorporation becomes one of the largest household goods storage organizations in the United States through consolidation of the Lyon firm in Los Angeles with the following firms:

Premier Fireproof Storage Co., Hollywood.

National Fireproof Warehouse Co., Los Angeles.

California Highway Express, Los Angeles.

Pioneer Truck & Storage Co., San Diego.

Long Beach Transfer & Warehouse Co., Inc., Long Beach.

Signal Transfer & Storage Co., San Francisco.

Lathim's Van & Storage Co., Santa Barbara.

Each of the firms will continue to operate as in the past with its present officers, employees, equipment, etc.

The group is capitalized at \$2,000,000, with physical properties in excess of \$1,000,000. It will operate more than a hundred trucks and vans and have available for storage more than 500,000 square feet of floor space. It is understood that the organization is only the nucleus of one which in time will operate in all the larger western cities. Meanwhile several new plants are under construction, and connections are being formed with firms in central western cities.

The directors of the new corporation are Judson M. Davis, chairman, who is president of the Lyon firm operating in Los Angeles; E. B. Gould, president of the Pioneer company in San Diego and a past president of the National Furniture Warehousemen's Association; J. R. Lathim, Jr., proprietor of the Santa Barbara concern which bears his name; J. A. Horrell, president of the Long Beach firm; Frank A. Payne, associated with the Lyon firm in Los Angeles and who is secretary of the Pacific Coast Furniture Warehousemen's Association; Rodney S. Sprigg, president of the Premier company in Hollywood; Henry M. Burgeson, Los Angeles, a past president of the Pacific Coast association; James J. Warren, treasurer of the Lyon company in Los Angeles; David C. Bole, president of the Signal company in San Francisco, and Chester A. Nelson, Los Angeles.

## Model Traffic Ordinance Proposed

The National Conference on Street and Highway Safety, at a meeting in Washington in July, completed a model traffic ordinance which will be submitted to Herbert Hoover, as chairman of the

conference, for his approval before its submission to the cities of the country.

One phase relates to signal lights and, as approved, provides for a tri-color arrangement of green, amber and red lights as being the most desirable. A two-color system of green and red lights was suggested as an alternative.

Right of way at crossings for pedestrians except where traffic is being directed by policemen is proposed in the ordinance.

Passing street cars on the left, except on one-way streets or under special conditions, is forbidden.

Loading zones for passengers or for traffic would be required.

Overloading of the driver's seat with passengers, and obstructing the view, are banned.

Efforts will be made as soon as Mr. Hoover approves the ordinances to have it adopted in cities throughout the land.

Cooperation is expected from the Automobile Association, American Electric Railway Association, American Mutual Alliance, American Railway Association, Chamber of Commerce of the United States, National Association of Taxicab Owners, National Chamber of Commerce, National Bureau of Casualty and Surety Underwriters, National Research Council and the National Safety Council.

## Are You Reading the Parker Articles?

THE series of legal texts by Leo T. Parker, attorney, now running in *Distribution and Warehousing*, will mean dollars in savings for the storage executive who has occasion to apply this information to his own business affairs.

The cases which Mr. Parker cites in support of his arguments are not century-old rulings. They include the most recent Court decisions, often culled from advance sheets made available to the author.

Show these texts to your own attorney. He will find them valuable.

Now turn to page 22 for "Public Warehousing and the Law of Patents and Trade Marks."

Next month Mr. Parker will discuss "The Law of Bills of Lading," another subject important in warehousing.

## Wholesale Tire Prices Down

Reductions in the wholesale price of tires, averaging from 10 to 12½ per cent, were recently announced by leading manufacturers. The Firestone Tire & Rubber Company started the ball rolling with reductions ranging from 4 per cent on third-line tires to 17 per cent on first-line products. Low pressure cords are reduced by 12½ to 15 per cent and solid tires 10 per cent. Lee Tire & Rubber followed with cuts of 4 to 15 per cent

## Adams Company Will Engage in Extended Freight Hauling

THE Adams Transfer & Storage Co., Kansas City, Mo., has purchased the North Kansas City Transfer Co. and the North Kansas City Truck Lines, which, located across the river from Kansas City, operate eighteen trucks in local and inter-city freight hauling.

The Adams firm will operate a branch office at the office of the North City Transfer Co., where D. E. Jenkins, who formerly operated the North Kansas City firm, will be the manager. The branch office is at Sixteenth and Charlotte Streets, North Kansas City, and the Adams company has established a freight station at Third and Cherry Streets, Kansas City.

The Adams firm has an office in St. Joseph, and in connection with the newly purchased North Kansas City interests, the company will carry on a general freight hauling business to city and towns north of the city in which it is located.

## Business Men Continue to Take Up Slack in Industry

(Concluded from page 46)

are depressed and price cutting has appeared. It is predicted that many big city hotels will fail before the end of the year. In the ice cream industry, another service industry, costs have increased, due to competitive conditions, and margins of profit will probably be reduced. Despite this, the industry is normal and an increasing number of consolidations are anticipated. Bakers the country over are having normal business and are turning to cake making as the chief field open to them for permanent expansion. The volume of service rendered by hospitals was uniformly larger the first half of this year than last. Industrial and automobile accidents are steadily increasing.

Both the wholesale and retail volume of trade in shoes has been below normal for the first half of 1928, but the outlook for the balance of the year is remarkably favorable. The public, it is held, is "short" on wanted styles and types of shoes, and there will be a distinct pickup in the early fall because of development of new materials for fall and winter shoes.

The lumber operations from the woods to the wholesale and retail lumber yards are gradually recovering from the depression of a year ago. The outlook is for higher market levels and more intensive sales promotion work, as well as a trend toward greater refinement of lumber products at the source of supply.

on all types of tires and tubes. General Tire followed with reductions of from 4 to 15 per cent and Goodyear and Goodrich announced they would meet the reductions.



## Skid Platforms and Lift Trucks Are Standardized

(Concluded from page 24)

Co., Stamford, Conn.; Edward L. Leeds, Leeds, Tozzer & Co., New York; R. F. Hibbard, Wright Hibbard Truck Co., Phelps, N. Y.; W. A. Meddick, Lakewood Engineering Co., Cleveland; Charles Rubel, Wright Hibbard Truck Co.; Philip W. Saitta, Crescent Truck Co., Lebanon, Pa.; Charles Schroeder, Yale & Towne Manufacturing Co., Stamford, Conn.; F. J. Shepard, Lewis-Shepard Co., Watertown, Mass.; Walter C. Steubing, Steubing-Cowan Co., Cincinnati; Howard R. Waterbury, Excelsior Plimtruck Co., Stamford, Conn.; M. A. Watterson, Baker-Raulang Co., Cleveland; and A. B. Williams, Barrett Cravens Co., Washington, D. C.

The meeting was held at the United States Chamber of Commerce several days prior to the general conference and the details of the simplification program for the entire distribution industry were outlined. With both manufacturers and users familiar with the program, the work at the general conference was expedited under the chairmanship of R. L. Lockwood, Division of Simplified Practice, Bureau of Standards.

Mr. Lockwood in his characteristic explicit manner laid the plan in detail before the general conference, with all the suggestions received by the Department of Commerce from all elements of the industry. These were discussed at great length by practically every representative present and threshed out so completely in every detail that the resolutions were adopted without one dissenting vote.

Those who attended the June 28 conference and participated in the discussions were as follows:

A. S. Brant, Swift & Company, Washington, D. C.; James C. Brown, Baltimore, of the American Warehouseman's Association; R. J. Burrows, Clark Tractor Co., Battle Creek, Mich.; B. E. Cassou, Ford Motor Co., Washington, D. C.; H. H. Clark, Acme Steel Co., Chicago; C. B. Crockett, Society for Electrical Development, Inc., New York; John J. Darby, Hudson Motor Car Co., Detroit; L. N. Erickson, National Lumber Manufacturers Association; C. H. Frame, American Railway Express; H. J. Fuller, the Yale & Towne Manufacturing Co.; J. W. Gerber, Southern Railway; A. H. Gfrorer, Automatic Transportation Co., Buffalo; W. G. Hoffman, American Sheet & Tin Plate Co., Pittsburgh; Irving G. King, Barrett-Cravens Company; E. L. Leeds, of Leeds, Tozzer & Company, Inc.; Robert A. Leshner, Port of New York Authority, New York; Philip G. Loucks, *Distribution and Warehousing*; W. A. Meddick, Lakewood Engineering Co.; J. C. Miller, Fourth Assistant Postmaster-General; James E. Mix, Excelsior Plimtruck Co.; Charles Osburn, Armour & Company, Chicago; A. A. Raphael, New England Paper Pulp Traffic Association; F. J. Shepard, Jr., Lewis-Shepard Co.; Stanley H. Smith, *Traffic World*; H. E.

Stocker, McCormick Steamship Co., Washington; Walter C. Steubing, Steubing-Cowan Company; Frank H. Tate, *Distribution Economist*, New York; Arthur Van Vlissingen, Jr., McGraw-Shaw Co., Chicago; and M. A. Watterson of the Baker-Raulang Co.

Representatives of the Department of Commerce who attended the conference included H. C. Dunn, Domestic Commerce Division; H. Conrad Hoover, National Committee on Wood Utilization; Thomas E. Lyons, Bureau of Foreign and Domestic Commerce; Norman Titus, Transportation Division; R. L. Lockwood, Division of Simplified Practice; and S. F. Tillman, Division of Simplified Practice.

—Philip G. Loucks.

## Government Issues Grades for Three Canned Products

**T**ENTATIVE standards for canned tomatoes, corn and peas have been issued by the United States Department of Agriculture under the provisions of the United States Warehouse Act. These grades have been developed with the assistance of the standardization committee of the National Canners' Association and after conferences with many leading canners.

Before issuing the grades the Department of Agriculture and other departments of the Government which are large purchasers of canned goods foods gave the subject of standardization careful attention with a view to establishing a grading system which would be of interest to not only the Government but to canners, wholesale grocers, bankers who finance canners, and consumers. According to a statement given out in Washington:

"The immediate necessity for grades arose in connection with the administration of the United States Warehouse Act by the Department of Agriculture. In order that warehouse receipts issued under authority of the United States Warehouse Act may be of utmost value to canners desiring to finance with this form of collateral, it is necessary that the grades of the products stored under the warehouse Act be carefully determined and thereafter stated on the warehouse receipts so that the true value of the goods may be readily ascertained by the loaning agency.

"The adoption of new nomenclature for each grade has been suggested, using an alphabetical system coupled with the letters 'U. S.' preceding the letter designation. For example, a fancy or first grade product would be designated 'U. S. Grade A.' Practically without exception canners who have been interviewed have expressed themselves entirely favorable to this system of grade designation.

A year-round reference volume on the desks of national distributors is the annual Warehouse Directory. It is the book they consult when selecting warehouses to store and distribute their products.

## This Blackboard Controls Five Hundred Motor Vehicles

(Concluded from page 39)

or truck is going into the shops, and can plan their work accordingly. By his daily report, taken from this board, the chief clerk in the office of the superintendent of transportation knows just how each vehicle is bearing up under the work given it, what to charge against each for repairs and idle time, and, eventually, how to figure in detail the costs not only of fleet operation but of each vehicle in the fleet.

Foremen and superintendents, glancing at this board, which is posted prominently on the main floor of the transportation department, can tell how each driver, as well as each vehicle, is occupied, whether he and it are doing their share of the work, and, what is of equal importance, where to place responsibility for breakdowns, accidents, collisions and other happenings which necessitate repairs.

Penalties are provided for failure to report on the board the condition, whereabouts and work of each vehicle, and foremen, mechanics and drivers have found the board so useful that for months not a single penalty has been imposed.

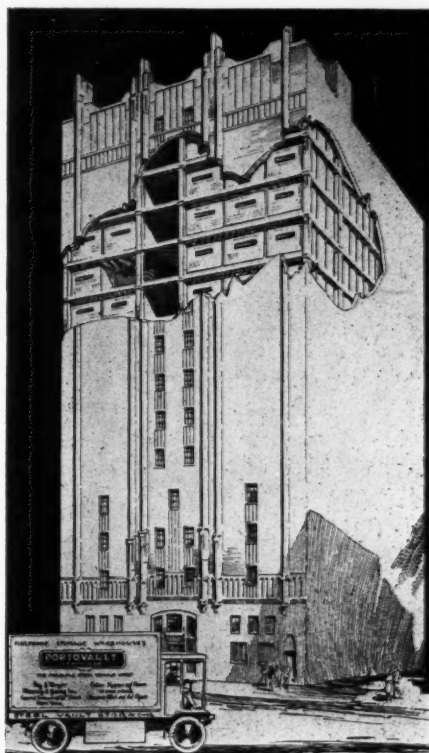
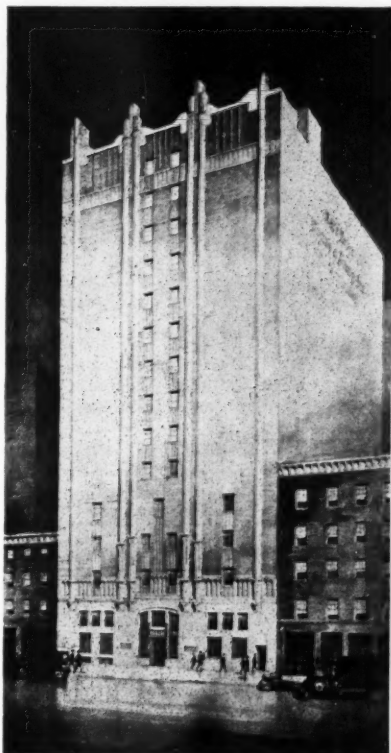
The corporation which devised and is using this board is the Pacific Gas & Electric Co., San Francisco division, and queries regarding it should be sent to E. C. Wood, superintendent of transportation, 899 Howard street, San Francisco.

tion. In the grades suggested by the Department of Agriculture the score-card principle has been incorporated, with a view to making the grades as simple and as easily understood as possible.

"Some canners have written the Department for permission to use the new designations on their labels, believing that housewives will soon learn to purchase by grade. It is argued that the housewife will soon recognize that a can bearing the mark 'U. S. Grade A' represents the top grade of that product and that 'U. S. Grade C' represents the bottom grade. Naturally she will expect to pay more for the best, but she can guard against having an inferior product sold to her at a fancy price. It is not necessary for a canner to ask permission of the Department to use these designations on labels, but they should be sure that the products meet the grade requirements of the grade claimed for the can.

"Requests have come to the Department from domestic science schools, colleges and institutions purchasing large quantities of canned foods for information as to how to determine quality—how to buy canned foods. It is believed that the system proposed is a forward step toward the education of the consumer with respect to canned foods. It should not be long until canned foods are purchased at retail and wholesale on the basis of the United States grades."

# The Warehouse of the Future



After many years of study we have succeeded in perfecting the "box type" warehouse as is evident by the successful operation of the Day and Meyer-Murray and Young Warehouse in New York City.

Attaining practical and economical operation in this type of warehouse necessitates the solving of many unusual difficulties in planning and construction.

We will be glad to confer with you if you are interested in this type of warehouse.

## MOORES & DUNFORD, Inc.

110 East 42nd Street



New York City

## Old Family Album Unfolds Career of Alton H. Greeley

(Concluded from page 20)

Mr. Greeley recalls. And yet having to "knuckle down" and make their own way had the inevitable result, for the boys began at once to study the industry in which they had embarked, growing with it, sticking to it, finding out where business could be located and going after it—and, best of all, making friends.

Mr. Greeley's brother, who had engaged with him in the opening of the first warehouse was six years his senior; he did not take kindly to the storage business, and the partnership was of short duration. So when the elder member of the firm bought a farm outside the city limits, A. H. found himself the sole proprietor—and heir to all the worries of a growing concern.

### When the Industry Was Young

Those were back in the days when the industry's trade associations were in swaddling clothes, but Mr. Greeley immediately became affiliated with them all. Association work gives a man ideas to digest and develop in his own way, he contends, and so he attended all the meetings of thirty years ago. Those were held year after year in Washington. They were stag affairs; women were taboo and there were no social activities. Washington, being the seat of the Government, was the logical place for the gatherings to be held, so thither the members of the American Warehousemen's Association would trek every year, each man taking along a brief case of troubles to be threshed out on the convention floor.

They were stormy sessions sometimes, Mr. Greeley recalls, but they developed some marvelous minds. The "big" men of thirty years ago did not mix with their competitors, it seems. Instead, they hobnobbed with equally "big" men from other parts of the nation. After the regular sessions of the day were over they used to assemble in small—very small—groups in various bedrooms and swap stories.

Thus grew up friendships that have lasted to the present day, and thus, in time, competitors learned to become friends, finding that only by getting together could their mutual interests best be protected.

The first warehouse occupied by the General Storage Co. was a pretentious building for its day and age—four stories high and one hundred by eighty feet. That old mill-constructed edifice was situated on Broome Street, in a section of the city so remote that few persons in Cleveland could find it today. It happened, however, to be next door to a paper company which wanted to enlarge its plant and was willing to buy the Greeley lease and pay a substantial sum for it.

Encouraged by the profits accrued in this manner, Mr. Greeley next leased the structure in which was located, in 1864, the first office occupied by the struggling young firm of Rockefeller &

Andrews. Mr. Andrews died a great many years ago and Mr. Rockefeller in time outgrew the small suite he tenanted in those days—but the name of John D. Rockefeller is still painted on the door which led him to fame and fortune.

In this building where John D. once had his office the Greeley company first began to branch out in business in a big way. Here they bought the warehousing interests of O. P. and M. J. Van Sweringen of Nickel Plate Railway fame. At one time during that period Mr. Greeley, in fact, owned every public commercial warehouse in Cleveland.

The first high level bridge to be built in the city cut off a part of the General Storage Co.'s new home. In order to have an office on the bridge, the firm then added two stories to the warehouse—only to have the city put up a newer span and abandon the old one. A law suit over that situation still is hanging fire in the Cleveland courts.

Mr. Greeley has piloted his concern through three serious money panics. When the World War came on, the New York Central Railroad Co. erected a big terminal, and the General Storage Co. then leased its present site adjacent to the new \$250,000 Union Station that is the pride of present-day Cleveland.

The General Storage Co., affiliated with the Greeley Terminal Co., now has a floor space covering an area of seven acres. One hundred freight cars can be spotted on its private tracks, and these are loaded and unloaded by a fleet of small 30 hp. engines each furnishing the motive power for seven or eight trailers. Fifty carloads of paper in a single consignment may be tucked away in a corner of the present warehouse. Here, too, are great cargoes of paint, wire, cigarettes, rope—in such quantities as the company never dreamed of in the old building at 111 Superior Viaduct back in the days when Walter C. Reid was secretary of the American Warehousemen's Association and conventions were held annually in Washington.

### Guided the Standard Forms

Aside from activity directing his warehousing enterprises Mr. Greeley still devotes a great deal of time to the associations that helped him so much in his earlier days and which he feels have done so much to promote a better feeling among competitors in the industry.

He was chairman of the American Warehousemen's Association simplification of forms committee which several years ago cooperated with the Division of Simplified Practice of the Department of Commerce in standardizing the negotiable and non-negotiable warehouse receipts and other documents used by warehouse companies in relations with national distributors. He is chairman of the board of directors of the American Chain of Warehouses, of which he was formerly for thirteen years president. He is a past president of the Ohio Warehousemen's Association.

Mr. Greeley takes an active interest in politics, not only in his native State but in New York, where he is interested in the promotion of the proposed \$100,-

000,000 waterfront terminal along Jamaica Bay.

Confessing to more club affiliations than forty men have any right to have, he is a member of the Cleveland Rotary Club, the Lakewood Country Club, the New York Traffic Club, the Cleveland Traffic Club, the Cleveland Athletic Club and the Cleveland Chamber of Commerce. He is a Shriner and a 32nd degree Mason. He is chairman of a campaign committee which is sponsoring the building of a new national town and country club.

Mr. Greeley's personal activities include an interest in the Potomac River Power & Light Co., an organization engaged in constructing a dam at Harper's Ferry, W. Va., near the spot where John Brown's body lies a-mouldering in the grave. He is interested in farming and only recently the entire Cleveland Rotary Club was entertained at a clam bake on the Greeley farm outside of Cleveland.

The Lake City's executive's eldest son, Alton H., Jr., did not take kindly to the storage business, preferring to carve himself a career in financing and banking, so his father expects, in time, to train the youngest member of his family, Robert C., to be his successor in the warehouse firm. The lad now is a student at Lakewood High School, Cleveland.

### Terminal Boom in Buffalo

Harbor dredging operations are under way in the harbor of Buffalo, N. Y., and terminal authorities there say that at least \$10,000,000 will be spent on terminal developments during the next few years.

The Cleveland & Buffalo Transit Co. is planning erection of a million-dollar terminal, and other warehousing projects are contemplated. According to T. F. Newman, president of the C. & B. interests, his company's terminal will be ready for use next year.

Meanwhile the recently-opened Buffalo plant of the Terminals & Transportation Corporation of America announces that it is doing a tremendous business in handling merchandise and cold storage products. The Minnesota-Atlantic Transit Co. is using it as its eastern terminal.

### Dunnage Removal Campaign

Warehouse executives were among the 700 men who attended the recent meeting of the Great Lakes Shippers Advisory Board and at the close of the session it was announced that 100 per cent cooperation had been pledged by receivers of freight in a campaign inaugurated to effect complete removal of dunnage when unloading cars at public team tracks.

To have cars turned back to the carriers with braces and other devices still in them has been a costly item for the railroads, especially in times of peak movement when the carriers' facilities have been taxed to capacity.





## "Move On Air Anywhere"

There's a lot of meaning packed into the Rapp slogan reproduced above. In fact, it is typical of the tendency among transportation men to rely more and more on modern trucks for the long, long hauls as well as the short. International Trucks fit admirably into this present-day scheme of things because of the nation-wide network of International service stations. Big, completely equipped, Company-owned branches, so placed as to serve your trucks at several points in the course of a long run.

However far your trucks may wander from home they can never be far from International service. That's important when trucks mean as much as they do in your business.

The long, speedy Internationals shown on this page are examples of the Inter-

national Speed Truck line. The complete line includes the Special Delivery; the Six-Speed Special; 1¼, 1½, and 2-ton Speed Trucks; and Heavy-Duty Trucks for loads of from 2½ to 5 tons. Also, McCormick-Deering Industrial Tractors for trailer or semi-trailer work. Ask us for a folder and the nearest address at which you can see these trucks on display.

INTERNATIONAL HARVESTER COMPANY  
of America

606 So. Michigan Ave. (Incorporated)

Chicago, Illinois



# INTERNATIONAL

## HARVESTER

### TRUCKS

COMPANY

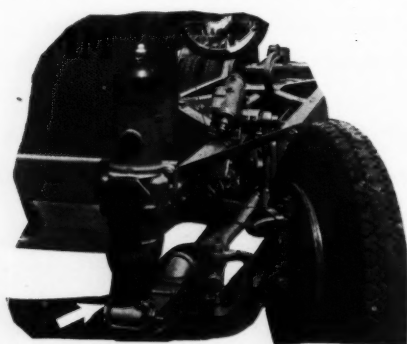
# GRAMM

## Features of construction

Forming the backbone of the entire Gramm Structure is a well balanced and husky frame. Note the rigid

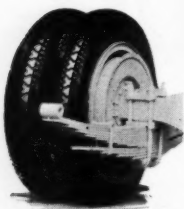


cross bracing, reinforcing plates and cross tube stabilizer. Here is strength—lots of it.



### No Wheel Wobble or Shimmy!

The Gramm method of shackling the front spring prevents all wheel wobble and shimmy. See this hook up in action—drive one of these Gramm Vans at any and all speeds and convince yourself that here is at last—safe and effortless control.



Springs that cushion the load from rough and rutted roads, protecting the chassis and body as well. Gramm two-stage springs are so designed that no matter what the load, the correct amount of spring action is there to take care of that load—increase the load and automatically the spring adjusts itself. Find out how it acts, it's worth while.

# VALUE

Here is the last word in high speed hauling equipment—advanced in design—advanced in construction and advanced in Performance. The kind of performance that means profit—for it gets the load there quicker, cheaper and without damage.

Forty-five miles an hour—hour after hour—with capacity load is all part of the day's work for this new and faster—stronger and more powerful six cylinder Gramm Van. You should see one in action to realize what smooth acceleration—quick getaway and steady pulling power really are.

Rough roads are smooth roads and heavy loads are "pay loads" for a type "R" Gramm Van.

Safety—Comfort and Appearance—none of these have been overlooked or neglected—but all are combined with the ability to meet the gruelling demands of frequent starting and stopping, and to perform efficiently in dense traffic and under all road conditions with strength to carry maximum loads. A Van that is correctly balanced and properly proportioned to give the most value—"low cost per ton mile."

It is beyond question the greatest contribution to better, faster and safer transportation with less cost that has ever been made—and introduced by an organization known for its progressiveness in designing and developing commercial vehicles ahead of the times. Since 1901 Gramm built trucks have been "setting the pace" for hauling economy. The name Gramm upon a Truck, Van or Coach is *as good as any guarantee.*

## GRAMM MOTORS, Inc.

Builders of Fine Motor Trucks and Coaches

EXECUTIVE OFFICES: LIMA, Ohio

FACTORY: DELPHOS, Ohio

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It will bring to you without obligation detailed information and prices on this new and better Van equipment. Use this information when you get it as a "Standard of Comparison" and you will buy a Gramm.

Gentlemen:

We are interested in your new type "R" Van chassis. Please send complete details and prices.

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CYLINDER

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**BUILT TO LAST!**

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING



## Life of Albert H. Hollander in Old Family Album Sketch

(Concluded from page 21)

ing the babies were rescued by their relieved mothers.

And one of them grew up to be Albert H. Hollander, president of the Hollander Fireproof Warehouses, Chicago.

Mr. Hollander was born in August, 1866—sixty-two years ago this month—and not all of the tragedies that befell him in the war forty-eight months later were founded on groundless rumors. His father, a soldier with the Prussians, was taken with smallpox and sent home, where his wife nursed him until his death. She, too, contracted the disease and passed on, leaving three small sons, of whom Albert H. was the youngest. That was in 1871, the parents dying in the same month, January.

America, Mr. Hollander now declares, knows nothing whatever about war. After the struggle between France and Germany there were no horses, so the farmers could not work their land, and men could not get employment. There was no work, and the country was full of orphans.

One of Bismarck's first acts when he came into power in the Rhineland was to divorce the Church from the State. This was in 1872, when the fighting was over, and it was necessary to find employment for hordes of returned soldiers. The orphan asylums were filled to overflowing, so the new Government solved part of its problem by removing the kindly church folk in charge of the institutions and substituting Army officers, who knew only military discipline and who, therefore, ruled their helpless charges by such cruel measures as flogging and solitary confinement in dark dungeons.

### An Orphan Comes to America

Among other war orphans subject to this stern discipline was Albert H. Hollander and his two elder brothers, and there they remained until the younger brother was fifteen, when they were permitted to come to America to live with an aunt whose husband had a teaming business in Chicago. The aunt did not get on with the two older brothers, so she sent them back to Europe, but the younger one stayed for a year and a half, helping his uncle by day and attending night school in the evening to learn the English language—(that was before the days of Mayor Thompson!)

The boy finally decided to leave his relatives and fend for himself, taking a day's work wherever he could get it. He had had two years of high school work in his own tongue in Germany. This, with a year and a half of night school, was pretty fair equipment—had he not been of the wrong religion. Coming from a German orphanage to an Irish settlement in Chicago, he seemed to encounter an anti-Semitic feeling everywhere. Bigger boys abused him and, though thin and a little undersized for his age, he soon learned to fight. Some of those "bigger boys" grown into prominent politicians

are his best friends now—but that is getting ahead of the story.

Fate and the exigencies of fussing around with odd jobs brought together young Hollander and the Baer brothers, Louis J. and Charles F. (the latter now president of the Baer Fireproof Warehouse Co., Chicago), and eventually they organized the Baer-Hollander Co., and Mr. Hollander married a sister-in-law of one of the Baers.

If this were fiction the story would end happily right here. As a matter of fact, however, the Baer-Hollander firm fell upon evil days after almost seven years in business. There were family complications, broken friendships, bitterness, and in 1893 Mr. Hollander sold out to Baer with an agreement that the latter was to assume all of the firm's liabilities.

### A New Start

So, after seven years, he virtually started life all over again by putting two teams to work paving streets for the city at \$4 a day. This went fairly well for a time and then it transpired that the young foreigner had not known as much about American law as might have been expedient. On Jan. 11, 1894, the anniversary of his father's death, a constable foreclosed on teams, wagons and everything else in Mr. Hollander's possession by virtue of an old note against the dissolved firm of Baer and Hollander. The disaster proved almost too much and for a time the young man was all but floored.

The loss of his teams left young Hollander with one asset: something so intangible that no sheriff could touch it, and yet priceless—character. His unmitigated grit had won him confidence in worth-while places, and because of this he was able to get credit to put him back on his feet. Up to this time he had had only horse-drawn wagons. When these were taken away he bought a moving van and with this he started in business for himself, opening a temporary office in the 1800 block on Milwaukee Avenue. After a time he moved across the street to the 1500 block. Here he discontinued moving and rented a three-story warehouse, which he operated for three years.

At the end of that time a real estate concern built him a place at 2005 Milwaukee Avenue, where he lived upstairs while conducting a business on the ground floor. Here for twenty-two years he answered the telephone in his office or on a private connection in his home for twenty-four hours a day.

In 1901 disaster again overtook him. The building burned down. It was then that he moved to his present location at 1616 Milwaukee Avenue, where he spent fourteen months erecting a five-story and basement warehouse. This building and the ground on which it stands cost him then \$51,000. Today, twenty-seven years later, the ground alone is worth \$3,000 a foot. There are fifty feet, and such are Chicago real estate values that he could tear down the building and sell his lot for \$150,000 after having reaped the profits on his investment all this time.

Mr. Hollander now operates four other plants, the largest and finest of them being a thoroughly modern fireproof structure at Lawrence and Kedzie Avenues.

Vice-president and chairman of the board of the Lawrence Avenue National Bank, Mr. Hollander was president of the Movers' Association of Chicago for thirteen years and is a past president of the Illinois Furniture Warehousemen's Association. He is a member of the National Furniture Warehousemen's Association, being chairman of the accident prevention division of the insurance committee, and is a member of the American Warehousemen's Association. He is a Shriner and a member of the Covenant Club, the Chicago Traffic Club and the Isaac Walton League.

The Hollanders—they have one son, J. A. Hollander, the company's secretary, and one daughter, both married—have a delightful summer home at Lake Zurich, thirty miles out of Chicago, and this they keep open most of the year. Mr. Hollander is interested in clearing the lake of carp and stocking it with game fish, and the family goes with him on weekend trips to catch up on their reading. The place is furnished with all modern conveniences such as furnace, telephone, electric lights, servants.

### A Long, Long Trail

He is too young to play golf, Mr. Hollander declares, but he has a weakness for hunting and fishing. He is an enthusiastic motorist, having driven to California twice with his family. That they are a devoted and rather sentimental as well as an attractive group is evidenced by the fact that Mr. Hollander, in his office, keeps himself surrounded by their pictures in lovely silver frames.

And if he pauses sometimes in the midst of his luxury to think back, a bit wistfully, of how hard and stony the road has been in places, is it any wonder? Living a life that would make a story for a Dumas or a de Maupassant makes one peculiarly sensitive to contrasts, and it is a long way from a water pipe in the lonely outskirts of a terrorized German village to a box at the opera in Chicago.

### Olsen Succeeds Tenny

Nils A. Olsen was appointed chief of the Bureau of Agricultural Economics of the United States Department of Agriculture, effective July 16. He had been assistant chief in charge of research since May, 1925. He succeeds Lloyd S. Tenny, who resigned to take an executive position with the Associated California Fruit Industries, Inc.

### Boston Blaze

Fire in a one-story building operated by the Service Warehouse Co., Boston, caused a loss of approximately \$100,000 worth of canned goods, matches and other merchandise, and damaged the building to the extent of about \$25,000, on June 17.

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WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

## Construction, Removals, Purchases and Changes

### Arkansas

**HOPE**—Home Ice Co. has purchased the Agee-Garett Building at Main Street and Avenue B and will remodel and equip it for a cold storage warehouse.

### California

**Los Angeles**—Los Angeles Compress & Warehouse Co., in the San Pedro district, has plans for a \$400,000 1-story warehouse, 150 by 750 feet, on 22nd Street.

**Napa**—Union Ice Co., San Francisco, has purchased property at Seventh Street and Soscal Avenue, Napa, as the site for a \$40,000 cold storage warehouse and pre-cooling plant. The company plans to spend \$150,000 building cold storage and ice plants in the section.

**San Francisco**—Western Pacific Railroad Co. has filed plans for a \$60,000 two-story addition to its warehouse at 15th and Vermont Streets.

### Florida

**Miami**—Clyde Steamship Co. is said to be planning construction of a \$60,000 cold storage warehouse at its Pier No. 2 in Miami.

**Tampa**—Tampa Union Terminal Co., recently organized, has purchased a 10-acre site on the Ybor Channel and plans early construction of an 8-story cold storage warehouse and pre-cooling plant, 150 by 152 feet, for citrus fruit, and a 2-story transit shed, 100 by 465 feet, together with a boiler house, 50 by 80 feet, the entire project to cost in excess of \$650,000.

### Indiana

**Evansville**—Evansville Ice & Storage Co. has completed plans for a \$60,000 2-story cold storage warehouse.

### Kentucky

**Louisville**—Central Truck Depot has plans for a \$65,000 storage warehouse and truck depot, 55 by 125 feet, on Floyd Street.

### Louisiana

**Ferriday**—Concordia Ice Co. is planning rebuilding that portion of its cold storage warehouse and ice plant recently damaged by fire with an estimated loss of \$50,000.

### Maine

**Bangor**—McLaughlin Warehouse Co. has added a 1-ton Chevrolet to its motor truck fleet.

### Maryland

**Baltimore**—Merchants Terminal Corp., recently formed through consolidation of C. Hoffberger Co., operating cold storage warehouse and ice plants, and the Baltimore Transfer Co., has work under way on a \$1,000,000 multi-story cold storage warehouse.

### Massachusetts

**Boston**—Boston Wharf Co. has filed plans for extensions and improvements

in its warehouse at 26-28 Pittsburg Street, to cost about \$22,000.

**Boston**—King Terminal Co. has taken out a permit for extensions and betterments in its boiler plant at 25 Elkins Court, to cost about \$14,000.

**Chelsea**—Ice Utilities Co. has plans for a \$65,000 1-story cold storage warehouse and ice plant at Third and Maple Streets.

### Minnesota

**Minneapolis**—Northwestern Terminal Co. has superstructure underway for a \$50,000 1-story and basement warehouse on East Hennepin Avenue.

### Mississippi

**Vicksburg**—Inland Waterways Corp., New Orleans, has asked bids on a general contract for an \$80,000 warehouse terminal.

### Missouri

**St. Louis**—Terminal Railroad Association has completed plans for a \$100,000 2-story and basement warehouse, 70 by 630 feet, at Clark and 18th Streets.

**St. Louis**—Wabash Railway Co. is completing plans for a \$400,000 1-story warehouse, 56 by 645 feet, and a 3-story administration building, 80 by 140 feet, at Second and Carr Streets.

### Nebraska

**Nebraska City**—A. J. Pangburn, Inc., operating a cold storage warehouse and ice plant, is considering erection of a \$400,000 3-story cold storage warehouse.

### New Jersey

**Elizabeth**—Bayway Terminal Co., Bayway, has work under way on a \$200,000 5-story warehouse, 240 by 260 feet, at 651-671 South Front Street.

**Red Bank**—Anderson Bros. have purchased property on Newman Springs Road as the site for a \$45,000 warehouse plans for which are being drawn.

### New York

**Brooklyn**—Superior Fireproof Storage Warehouse, Inc., has awarded a general contract for extensions and improvements in its warehouse at 774-784 64th Street, to cost about \$75,000.

**New York City**—Fidelity Storage Warehouse Co. has awarded a general contract for the construction of a \$160,000 11-story warehouse, 50 by 100 feet, at 153 East 87th Street.

**New York City**—Fur Merchants Cold Storage Co., Inc., has taken out a permit for a \$90,000 10-story warehouse at 251 W. 27th Street.

**New York City**—K. & H. (Kalmus Brothers & Heineman) Warehouse Holding Corp. has purchased property at Bailey Avenue and 230th Street as the site for a \$250,000 10-story warehouse.

**New York City**—Port Morris Terminal, Inc., has preliminary plans for two 8-story warehouse and freight terminals on Southern Boulevard near 142nd Street, reported to cost more than \$850,000.

**New York City**—Pyramid Motor Freight Corp. is having plans drawn for a \$35,000 2-story warehouse and

(Concluded on page 58)

## New Incorporations Within the Industry

### California

**LOS ANGELES**—Circle Truck & Transfer Co. (organized). H. G. Spies and D. H. Spies are the proprietors.

**Los Angeles**—Love's Truck & Transfer (organized). George P. Lewis is the proprietor.

**Los Angeles**—Lyon Van & Storage Co. Storage warehouse and van service. Capital, \$2,000,000. Incorporators, Chester A. Nelson, Judson M. Davis and J. G. Warren.

### Delaware

**Dover**—Dover Warehouses, Inc. Capitalization, \$10,000.

**Wilmington**—Merchants' Ice & Cold Storage Co. Cold storage warehouse and ice plant. Capital, 1000 shares of stock, no par value.

### Illinois

**Chicago**—Chicago Pioneer Packers & Shippers. Warehousing, packing, transfer and van service. Capital, \$10,000. Incorporators, John Mezera, Joseph Mezera and James Kalivada.

**Chicago**—Gulf Ice & Cold Storage Co. Cold storage warehouses and ice plants. Capital, 5000 shares of stock, no par value.

**Chicago**—Rogers Park Fireproof Storage Co. Storage warehouse. Capital, \$24,000. Incorporators, Peter Hollacher and John T. Wilson.

**Joliet**—Red Ball Cartage Co. Capital, \$5,000. Incorporators, P. H. Folkers, G. W. Folkers and I. A. Collins.

### Indiana

**Richmond**—Motor Distributing Corp. To engage in the business of motor trucks transport. Capital, 1000 shares of no par common stock. Incorporators, William H. Knollenberg, L. C. Hilling, R. E. Wickett, L. B. Feltman, William H. Dynes, Edward W. Feldman, Ellis Smoker, Ralph Williams, I. H. Bell, Floyd L. Bogan and N. C. Wickett.

**South Bend**—Ziffrin Motor Express Co. General transport and hauling of merchandise. Capital stock 1000 shares of no par value. Incorporators, Samuel Ziffrin, Esther Ziffrin and Maurice Tucker.

### Louisiana

**New Orleans**—Fulton Public Warehouse Co., Inc. Capitalization, \$5,000.

### Massachusetts

**Holyoke**—Charles Belsky & Co. General warehousing and trucking. Capital \$100,000. Charles Belsky is president.

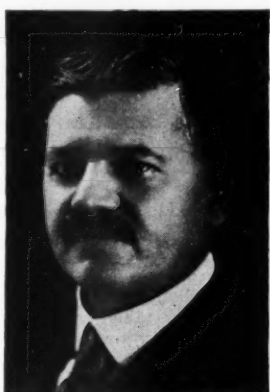
### Michigan

**Detroit**—North & South Transportation Co. Transfer and trucking. Capital, \$10,000. Incorporators, L. J. Black, M. C. Hutto and J. P. Hutto.

**Detroit**—Suburban Ice & Fuel Co. Cold storage warehouse and ice plant. Capital, 3000 shares of stock, no par value. Incorporators, C. Chalmers, A. Wilkins and Samuel Chalmers.

(Concluded on page 58)





Albert Fisher

# Fisher

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WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

## Construction, Removals, Purchases and Changes

(Concluded from page 56)

freight terminal, 75 by 100 feet, at 359-363 W. 11th Street.

**New York City**—The 339 West 38th Street Corp. is completing plans for a \$130,000 warehouse at that address.

**Patchogue**—Committee Storage Warehouse Corp. has purchased an East Main Street plot, 66 by 300 feet, as the site for a storage warehouse.

### Ohio

**Cleveland**—Neal Fireproof Storage Co. has plans nearing completion for a \$100,000 warehouse on Loraine Avenue near West 152nd Street.

**Dayton**—Pennsylvania Railroad Co. is reported planning a \$100,000 warehouse and freight station between Longworth Street and the river.

### Oklahoma

**Newman**—New State Ice Co. is planning to erect a \$70,000 2-story cold storage warehouse and ice plant, 100 by 142 feet.

### Oregon

**Salem**—Southern Pacific Railroad is planning a \$25,000 warehouse and freight building on Mill Street.

### Pennsylvania

**Pittsburgh**—Pennsylvania Transfer Co. is completing plans for a \$75,000 1-story service and garage building on Main Street for the firm's motor trucks.

### Rhode Island

**Providence**—Providence Produce Warehouse Co., a subsidiary of the New York, New Haven & Hartford Railroad Co., has plans nearing completion for a \$750,000 multi-story warehouse, with cold storage facilities, at Kinsley and Harris Avenue.

### Tennessee

**Lebanon**—City Delivery Co., recently organized, has concluded arrangements for the purchase of the Interstate Ice Co. and the Perfection Ice Co., operating cold storage warehouses and ice plants, and will consolidate. Plans for expansion are under consideration.

### Texas

**Dallas**—Texas & Pacific Railway Co. is said to have plans nearing completion for a \$400,000 freight terminal and warehouse building.

**Houston**—Universal Car Loading & Distributing Co. of Texas, Inc., has filed plans for a \$45,000 addition to its warehouse at Vine and Wood Streets.

### Utah

**Price**—C. W. Empey Transfer Co., both business and equipment, has been purchased R. W. Hill and associates.

**Salt Lake City**—Salt Lake & Ogden Transportation Co. has filed plans for a \$35,000 1-story and basement warehouse and freight station, 112 by 125 feet, at 106 South Second Street, W.

**Salt Lake City**—Trans-Continental Freight Co. has removed its local offices to the Oregon Short Line Railroad Co. building from 136 South Fourth West Street, the office of the Redman Fireproof Storage Co.

### Virginia

**Manassas**—McCoy's Transfer, Inc., has tentative plans for a \$25,000 1-story warehouse and terminal in connection with operation of its transfer and express line to Alexandria, Va., Washington, D. C., and other points.

### Wisconsin

**Milwaukee**—Coakley Bros. Fireproof Warehouse Co. has work under way on its \$100,000 6-story addition to its warehouse at 450 Prospect Avenue.

**Milwaukee**—Wisconsin Cold Storage Co. has plans under way for a \$150,000 8-story cold storage warehouse.

## Memphis Company Expands Its Cotton Licensing

Thirty-one more large cotton warehouses in Tennessee, Mississippi, Arkansas, Louisiana and Texas have been licensed under the Federal Warehouse Act, the United States Department of Agriculture has announced. These warehouses have a combined storage capacity of 854,000 bales. The licenses were issued to the Federal Compress & Warehouse Co., Memphis, and two other firms controlled by the same management.

Prior to the issuance of these licenses these three companies had 29 warehouses, with a combined capacity of 627,700 bales of cotton, operating under the Warehouse Act. The combined capacities of their 60 warehouses now operated under Federal supervision, total 1,481,700 bales.

## New York Dock Co. to Build a \$3,000,000 Warehouse

The New York Dock Co. has awarded a contract for the construction of a ten-story warehouse and distributing center, involving an expenditure of more than \$3,000,000, at Joralemon and Furman Streets, Brooklyn.

Of reinforced concrete on concrete pile foundations, the building will contain approximately 950,000 square feet of floor space.

Five freight sidings, each 373 feet long, will comprise a union freight terminal served by the New York Dock Railroad, a subsidiary.

## Houston Company to Build

The Channel Warehouse Extension, Inc., Houston, has awarded a contract for the erection of a two-story warehouse, 56 by 200 feet, on the waterfront. It will cost about \$40,000 and will be completed within a few months. It will be of brick and reinforced concrete.

## New Incorporations Within the Industry

(Concluded from page 56)

### New Jersey

**Jersey City**—Storedoor Delivery Co. Transfer and express. Capital, \$125,000. Incorporators, John J. Rooney and Anthony J. Gorman.

**Newark**—Mooney's Express & Warehouses, Inc. Warehousing and transportation. Capitalization, \$100,000. Incorporators, Frederick H. Mooney, F. Edgar Mooney and Margaret A. Mooney.

### New York

**Brooklyn**—Lexington Storage & Warehouse Co. (established in 1885 and recently taken over by John P. McCormack). Storage warehouse and van service. Capital, \$5,000.

**New York City**—Dunlop Trucking & Warehousing Co. Warehousing, trucking, etc. Capital, \$5,000. Incorporator, Saul Solomon.

**New York City**—Mutual Forwarding Co. Capital, \$20,000. Principal incorporator, H. S. Hendricks.

### North Carolina

**Greensboro**—Dixon Ice Co. Cold storage warehouse and ice plant. Capital, \$25,000. Principal incorporator, J. H. Dixon.

### Ohio

**Warren**—Motor Freights Terminal Co. Terminal warehouse and trucking. Capital, 250 shares of stock, no par value. Incorporators, W. E. Ellenburger, Arden O. Lee and Helen Schoenberger.

### Tennessee

**Memphis**—Valley Warehouse Corp. Capital, \$10,000. Incorporators, W. R. Wray, B. Y. Wray, Doyle Murchison, W. T. Wray and G. S. McIntyre.

### Virginia

**Richmond**—Reliable Ice Corp. Cold storage warehouse and ice plant. Capital, \$50,000. Principal incorporator, Ruben Hertzberg.

**Roanoke**—People's Ice & Storage Co. Cold storage warehouse and ice plant. Capital, \$125,000. Principal incorporator, T. B. Witt.

### West Virginia

**Martinsburg**—Files Ice & Cold Storage Co. Cold storage warehouse and ice plant. Capital, \$25,000. Incorporators, M. E. Files and W. M. Rockwell.

### Wisconsin

**Racine**—Racine Terminal Building Corp. Terminal warehouses. Capital not stated. Incorporators, Morris Karon and N. G. Sullivan.

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